



Report

2024 HR Trends & Predictions

The five biggest trends Bonusly sees coming, and what they mean for employees and HR pros.

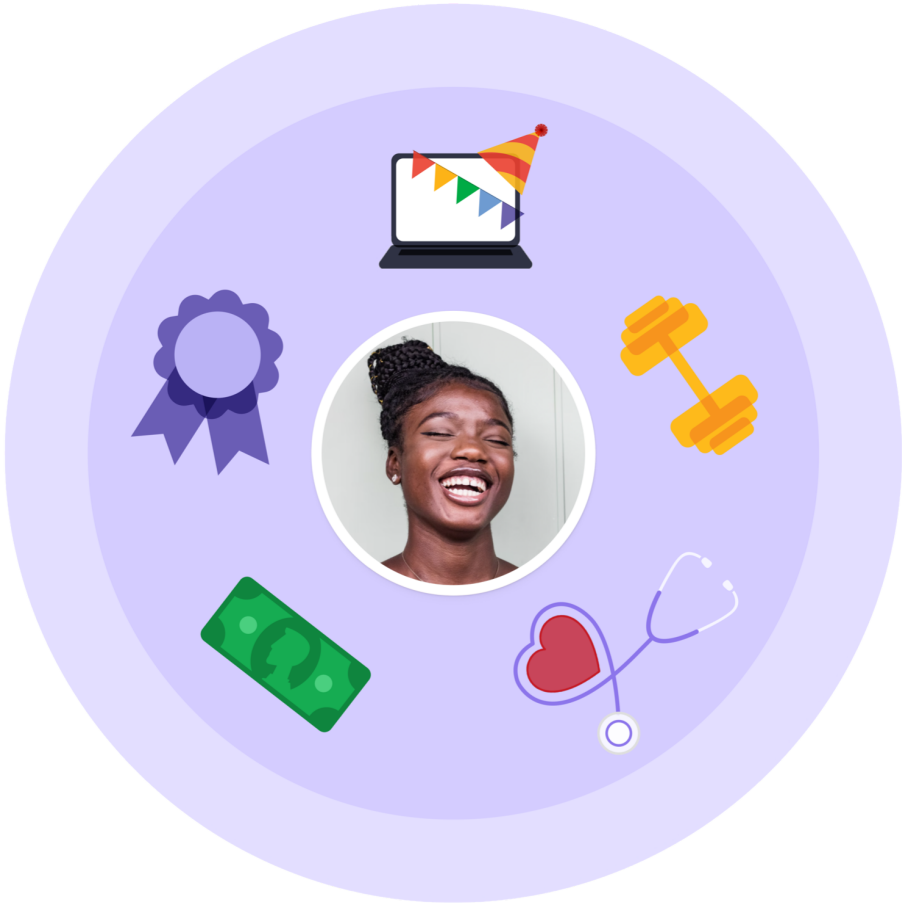


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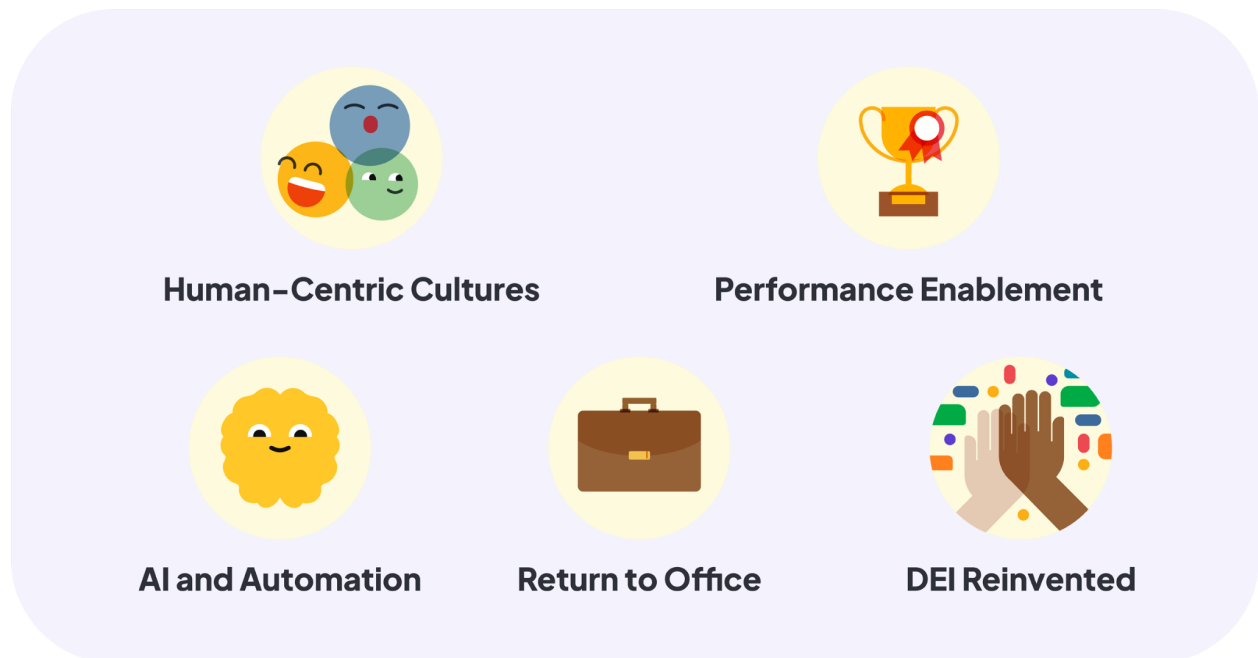
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Introduction

With all the changes in the world of work in the past four years, we've had to shift, adjust, and turn on a dime too many times to count. As we approach a new year, wouldn't it be amazing if we could turn to a crystal ball to see what's in store for 2024? 🌟

Well, we can't give you that (yet). But Bonusly did talk to more than 300 HR admins in the U.S. to see what they've got in mind. Add to that countless internal conversations, a whole pile of webinars, and endless debates about what we think will be top of mind as the new year arrives.

This report is the result of those conversations and questions: here are the five biggest trends we see coming and what they mean for employees and HR pros.



The 5 HR Predictions for 2024

1. Human-centric cultures replace grind cultures

The [Great Resignation](#) revealed to employers and HR leaders a vital but overlooked truth: employees don't want to be treated like cogs in a machine. They spend decades of their lives at work, and they want to spend that time in organizations where they're treated as valued, individual human beings with full and satisfying lives in and outside of work.

And if they're not getting that treatment, they're not afraid to walk away.

In response, many companies have shifted away from glorifying grind culture and into promoting a more human-centric one—and we expect to see that trend pick up even more in 2024.

Human-centric cultures don't have a single definition, as they vary by company, but they all prioritize the people inside of organizations and their experience as employees.

Building a human-centric culture can mean:

- Giving your employees the most flexibility possible so they don't have to sacrifice their personal lives to do their best at work.

- Creating an inclusive, welcoming workplace where every employee can bring their whole self to work and feel a sense of belonging and acceptance.
- Prioritizing employee well-being and mental health by helping burned out and overwhelmed employees take work off their overloaded plates.
- Elevating leaders who show gratitude and appreciation to managers, employees, and peers.
- Offering employees everything they need to do their jobs, including a comfortable office space, remote work options, and the perks, amenities, and benefits that matter to them.
- Ensuring employees have access to personalized career development plans, continuing education opportunities, and chances to grow and learn no matter their role or tenure.

There are as many ways to build a human-centric culture as there are companies, but the key thing they all have in common is a deep commitment to employees. While this might seem like you're choosing employee happiness over productivity and profits, it's not a binary choice: employees who are treated well are more loyal and engaged, which in turn [boosts productivity and retention](#).

[Human-centric budgeting](#) can help you make your commitment to your employees concrete by (literally!) investing in them. It can be tempting in tighter financial times to pull back on putting budget into human capital expenses, but that's a big mistake; your people are the lifeblood of your business, and prioritizing them will offer big returns on your investment.

2. Performance enablement instead of management

[Less than 20% of employees](#) feel inspired by their performance reviews—but that annual review is still the cornerstone of many companies' performance management strategies. Fortunately, there's a new movement afoot to shift away from performance management (think: looking backward, focusing on compliance and compensation, your employees' least favorite time of the year) and towards [performance enablement](#).

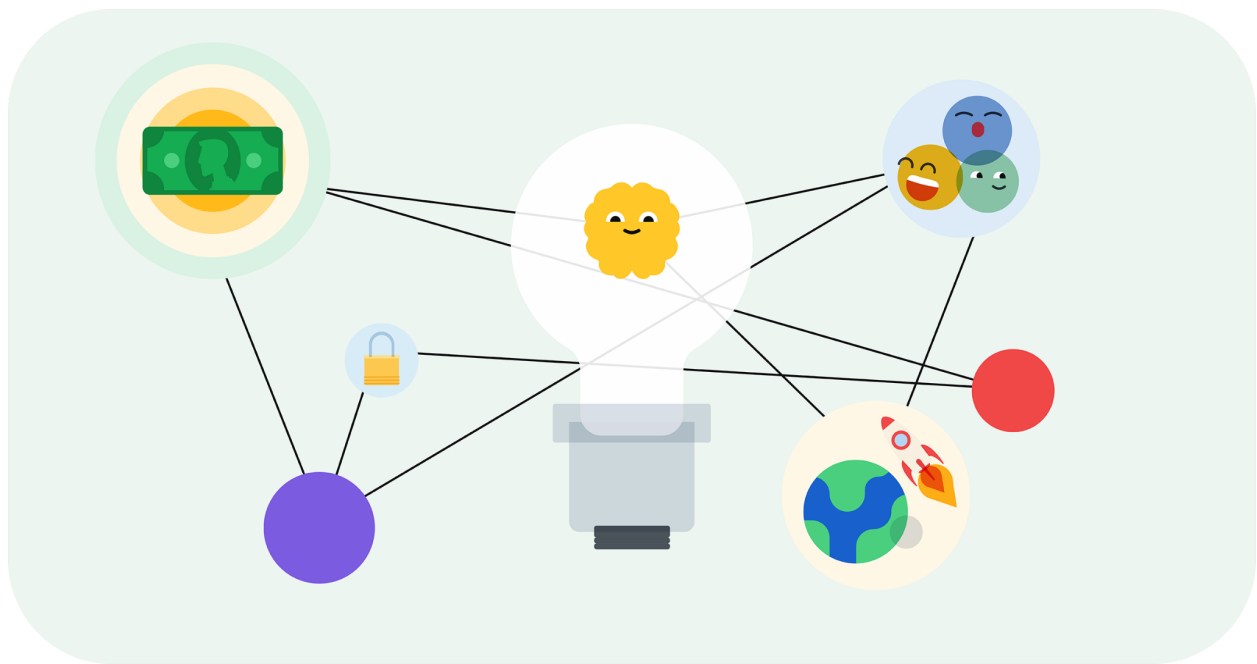
What is performance enablement, exactly? Well, the key is right there in the name: instead of managing employee performance from the top down, you enable employees to reach the peak of their performance and grow the skills and capabilities of your whole organization.

Performance enablement helps your employees achieve their career goals and feel more connected to your organization and its objectives. Instead of receiving feedback from your manager once a year, performance enablement creates a culture of continuous feedback from all levels. That means peers who work directly with you every day can chime in with praise regularly, giving everyone a better idea of your capabilities and strengths.

It also includes a focus on future performance—how can you prepare for the future career you want with the work you’re doing today? How do your current skills and strengths align with that future career, and what weaknesses do you need to work on to get you over any roadblocks?

And it enables managers to act as proactive coaches, not just evaluators. (More inspiring for them too, right?) Of course, to make performance enablement a reality, you need to invest in training for your leaders and managers to help them make this shift since they’re the primary drivers.

But once you’re on this new path, you can expect to see more engaged and enthusiastic employees and managers as well. Why not make 2024 the year you start this shift?



3. AI and automation advance (with caution)

While this trend might seem to conflict with the human-centric cultures we anticipate growing, they’re actually deeply connected. The most promising use of AI, after all, is helping people free up their time from repetitive, manual tasks so they can focus on

human-centered and strategic work, like creativity and collaboration. (Or making weird art of your favorite celebrities—it's a toss-up. 😊)

AI's capabilities have grown in leaps and bounds in the past year, and become more accessible than ever thanks to the release of ChatGPT-4. It's now possible to use AI and automation to tackle a wide range of tasks, especially ones that we humans find a little (or a lot) dull.

AI's capabilities will likely be refined and enhanced even further in 2024. Maybe your organization is already using it in your workplace, or maybe you're planning some experimentation to see how it can help increase [productivity in HR](#) and other departments.

There's one critical thing to keep in mind: there's a very real divide in who is excited about AI, and who is more skeptical. [Two-thirds of executives](#) expect that AI will have a positive effect on the workplace, while only 35% of individual contributors agree (and 31% think AI will have a negative effect).

What's behind this gap? Lower-level employees think their jobs are more at risk from the increasing use of AI. In fact, 68% of employees think that some jobs are at risk because of AI, and 23% believe their own jobs are among those at risk. Executives are less likely to worry about being replaced by AI (at least right now) and see more upsides in efficiency and productivity.

There's also a major gap in who is most excited about AI: engaged employees and those who have a lot of trust in their organizations are much more positive about using AI. [53% of engaged employees](#) say they're comfortable using AI at work, compared with just 30% of disengaged employees.

These gaps in how AI is viewed mean that HR leaders and executives should proceed carefully when integrating AI into how your people do their work, get information about benefits and policies, and communicate with colleagues and leaders. Plus, focusing on building employee engagement and trust are even more important in this new AI era.

Transparency will be the most vital part of any AI strategy, so employees know when they're interacting with AI and how they're expected to use it at work. And, of course, addressing their concerns about AI like ethics, bias, and even being replaced by AI solutions will be a critical component of HR leaders' tasks in the coming year.

4. The return to the office really happens

This trend is already well on its way: in-person work has reached post-pandemic highs and [less than 26% of US households](#) still have someone working remotely at least one day per week. [Returning to the office has pros and cons](#), of course, and many jobs will likely not go back to requiring in-person work five days per week, every week. But for a majority of workers, they're spending at least a few days a week in the office (whether they like it or not).

And this trend is only going to pick up speed next year. [90% of companies](#) say they plan to return to the office by the end of 2024, while only 2% say they'll never require employees to come into the office.

But employees aren't so eager to go back to the way they worked before the pandemic, at least knowledge workers whose work can be done from home at least some of the time. [68% of employees](#) said they'd rather look for a new job than return to the office, and for Gen Z it rises to 79%.

So while workers will continue to come back to the office, probably in a hybrid schedule of some kind, the tension between what employers demand and what employees want will be interesting, to say the least. Hopefully, we'll see increasing thoughtfulness and creativity in [connecting teams that aren't in-person](#) and a focus on output instead of physical presence to measure performance—but we'll see what 2024 brings.

5. Reinventing and reimagining DEI

If your company mostly focuses on the "D" in DEI, you're not alone—but that might change this year. Diversity was a great first to create fairer workplaces, and since it's the easiest to measure, it's no wonder this is where most businesses began their DEI journey.

But in 2024, we'll likely see more emphasis on the rest of that acronym, with equity and inclusion coming to the forefront. Diversity in and of itself isn't enough to make a workplace truly open and enjoyable for everyone—all employees need to feel included regardless of their gender, sexuality, race, ethnicity, culture, and everything else about them to thrive.

Equity is a major part of the conversation as well. With pay transparency laws popping up in many states, employees have more information than ever before on how they're paid relative to their peers and managers and are using that to drive conversations about equity in hiring and promotions.

How can companies in 2024 embrace every part of DEI? Well, it begins with a mindset shift. Instead of simply focusing on the diversity piece and promoting their diversity programs, businesses will need to embed DEI (all three pillars!) into the very foundations of their company.

That means assessing existing programs and building new ones with a laser focus on how they'll affect equity, and creating a workplace culture that makes everyone feel a sense of belonging and inclusion at every level and in every department. Is it a big undertaking? Yep. But it's also critical to ensure that you're treating all your valued employees as the wonderful, complex, many-faceted people they are, which is the right thing to do.

Takeaways

2024 is shaping up to be an exciting and interesting year, with a continued focus on the employee experience and engagement—we love to see it!

It will also likely be another year of change in the way we work, but hopefully for the better. Employees and their employers will determine what kind of workplace and flexible work policies work for both sides, AI will increase productivity, and a greater sense of inclusion and equity will build organizational trust. Add some performance enablement in there, and it should be a great new year in the HR world. ❤️

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