

# EMPLOYEE EXPERIENCE

Moving from “Engaged”  
Employees to a “Thriving”  
Workforce

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HRD Summit 2018 – Amsterdam





# SEISMIC SOCIO-CULTURAL SHIFTS ARE UNDERWAY



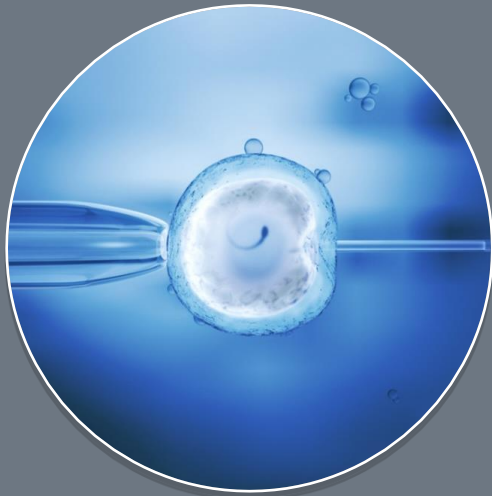
The traditional family is fast becoming atypical



Rapid acceleration in longevity



Shifts in migration, racial and ethnic diversity



Changes in fertility and parenthood



The rise of the Free Agent



Importance of our digital identity

# MERCER 2018 STUDY - TOP TRENDS

7600+ PEOPLE | 44 COUNTRIES | 21 INDUSTRIES

BOARD DIRECTORS | C-SUITE | HR | EMPLOYEES



CHANGE  
@SPEED



WORKING WITH  
PURPOSE



PERMANENT  
FLEXIBILITY



PLATFORM  
FOR TALENT



DIGITAL FROM  
THE INSIDE OUT





# CONTINUOUS LEARNING | A LAB MIND-SET



94%

of executives say innovation is a core part of their 2018 agenda



Employees want opportunities to grow personally and professionally

## UNIQUELY HUMAN SKILLS ARE MOST IN DEMAND

- Innovation
- Digital competence
- Global mindset
- Data analysis / predictive modeling
- Complex problem solving
- Change management
- Inclusive leadership



## TOP STRATEGIES FOR ADDRESSING THE FUTURE OF WORK

1. Upskilling digital competence (42%)
2. Increasing access to online learning (40%)

*1 out of 3 companies are:*

- Deploying rapid internal skills training
- Implementing agile work practices
- Enhancing sales skills across the organization
- Automated/digitized role identification
- Stepping up career coaching



but only

39%

have specific funding

15%

of employees say it is very easy to innovate



# HOW IS THE VALUE PROPOSITION EVOLVING?

## **Loyalty Contract** (20th Century)

**Basic Needs:**  
Pay, Benefits, Security

Workers are assets to be retained

Pay and benefits for time and output

## **Engagement Contract** (Today)

**Psychological Needs:**  
Achievement, Camaraderie, Equity

Employees are assets to be acquired and optimized

Broader set of rewards (pay, benefits, career, experiences) in exchange for organizational engagement

## **The Thrive Contract** (The Next Chapter)

**Growth Needs:**  
Purpose, Meaning, Impact

People and machines as value creators to invest in

Personalized rewards in exchange for a wide range of contributions

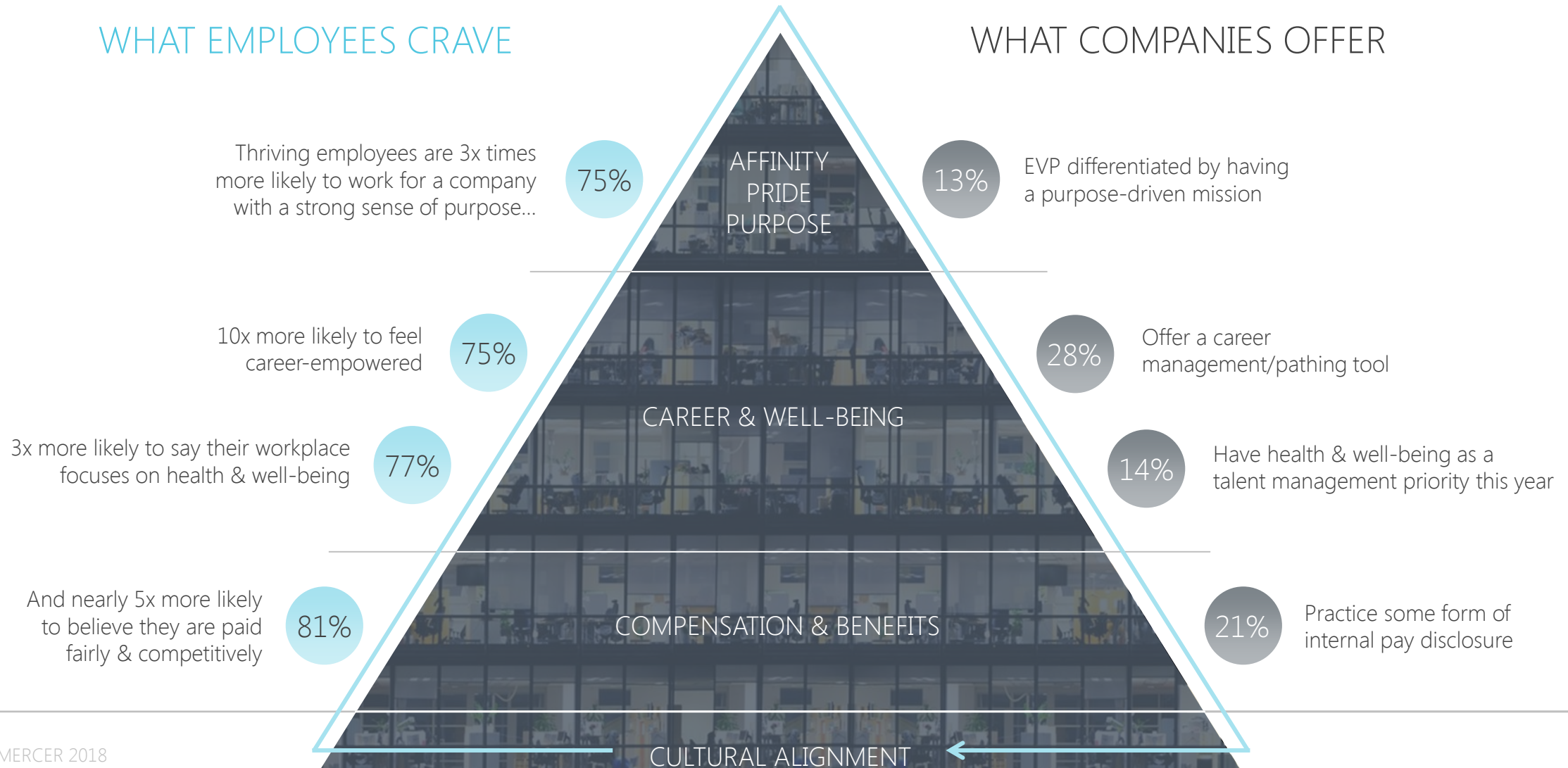




# WORKING WITH PURPOSE: THE EMPLOYMENT EQUATION

## WHAT EMPLOYEES CRAVE

## WHAT COMPANIES OFFER



# PERMANENT FLEXIBILITY THE EMPLOYEE EXPERIENCE



**71%** of **thriving** individuals say their company offers them flexible work (compared to 32% of non-thriving)

**51%** of all employees want more flexibility

BUT...

**36%** have had a request for flex turned down

**41%** are concerned that flexibility will impact promotional prospects

#### What's working?

- Managing on results, not hours (66%)
- Colleagues being positive (63%)
- Manager being supportive (59%)

**Only 3%** of companies say they are Flex leaders

**13%** assess every job for its ability to be done flexibly; most have ad-hoc arrangements

**94%** of HR have concerns

- Ability to apply fairly to all employees
- Impact on teamwork and face-to-face collaboration
- Ability to measure and reward contribution
- Ability to manage career progression
- Impact on results/output



# UNDERSTAND WHAT REALLY DRIVES PERFORMANCE

To help employees Thrive at work....



...HR top recommendations are

- 1 Understanding employee's interests and skills to better match people to roles
- 2 Improved clarity on skills and experiences needed for career advancement

Employees concur...

Only half say their company understand their unique interests & skills today

74% believe that greater clarity on promotional guidelines would enhance their career success



## EMPLOYEE VIEW

What would help you perform better at work?

- 1 Additional benefits for high performers
- 2 Better work tools to do the job
- 3 Clear performance ratings
- 4 Create team goals
- 5 More regular feedback
- 6 Ensure goals are the same at each level
- 7 Align individual goals with the business
- 8 Split bonus reward - receive sooner or cadence

**Change continues in Performance Management – top changes planned this year:** investment in **continuous feedback tools** (46%), shifting performance discussions towards **career development** (46%), and **goal calibration** (45%)

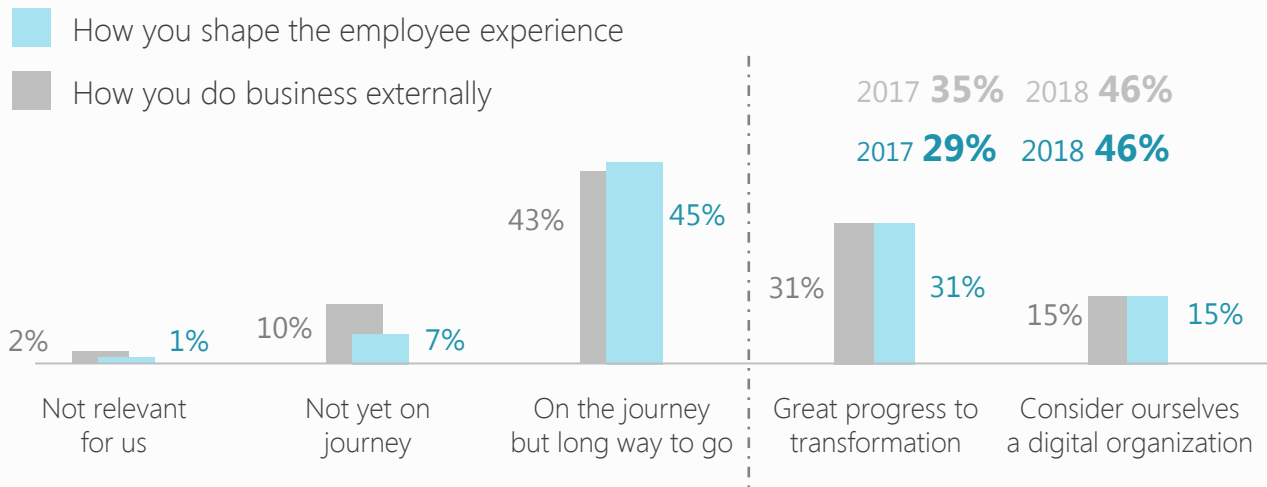


# LEVERAGE: DIGITAL FROM THE INSIDE OUT

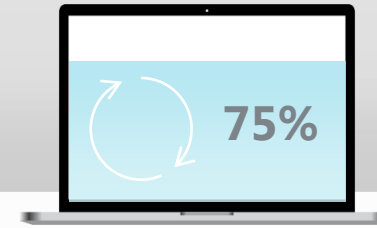
66% of employees say that having access to state-of-the-art digital tools is important



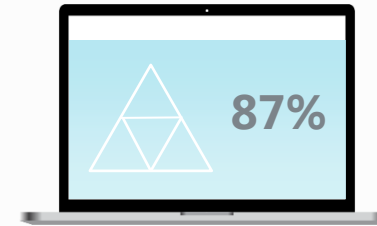
*What you do inside reflects your outside*  
External vs internal numbers are quite similar



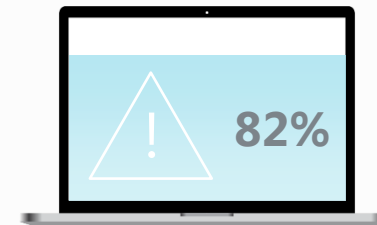
*What's different about Digital Organizations?*



REPORT HIGH SCORES FOR CHANGE AGILITY



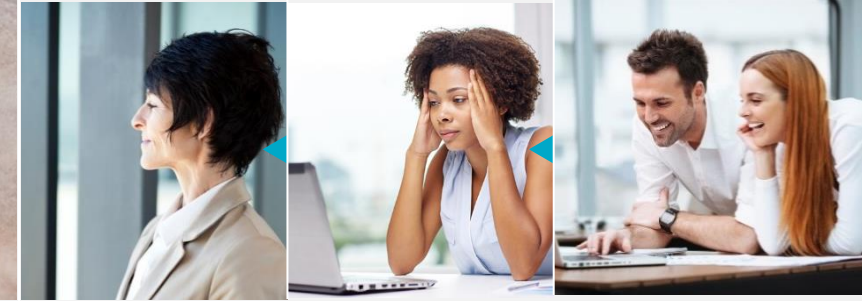
HAVE A COMPELLING & DIFFERENTIATED EVP



SEE HR AS AN ADVISOR ON HUMAN CAPITAL RISKS



# EMPLOYEE EXPERIENCE: THE ERA OF THE INDIVIDUAL



What helps employees thrive varies around the world.

Most important globally:

- Leaders who set clear direction
- Fair & competitive compensation
- Career promotion opportunities
- Working with the best & brightest
- Opportunities to learn new skills

Career empowered employees are 3 times more likely to be committed to their company. They report:

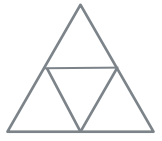
- Being rewarded for a wider range of contributions
- Greater access to career path information and career coaching
- A more inclusive work culture that embraces internal mobility

#1 ask from non career empowered:

- Greater equity in pay and promotion decisions

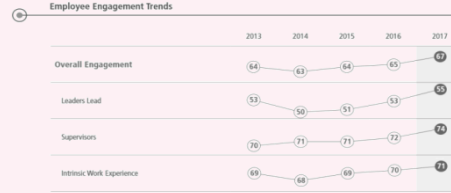
Perceptions of the work experience differ by level, not by generation.

- Executives and senior leaders are most positive about the changes ahead
- Middle managers feel torn between BAU and the change agenda
- Only 25% of individual contributors believe they can find career success

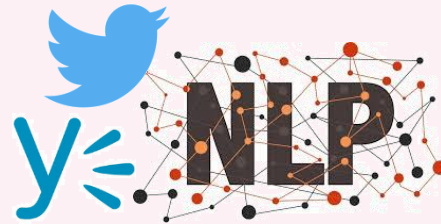


# OPEN UP MULTIPLE FEEDBACK CHANNELS

ANNUAL CENSUS



MONITOR SENTIMENT



BRIEF SNAPSHOT SURVEYS

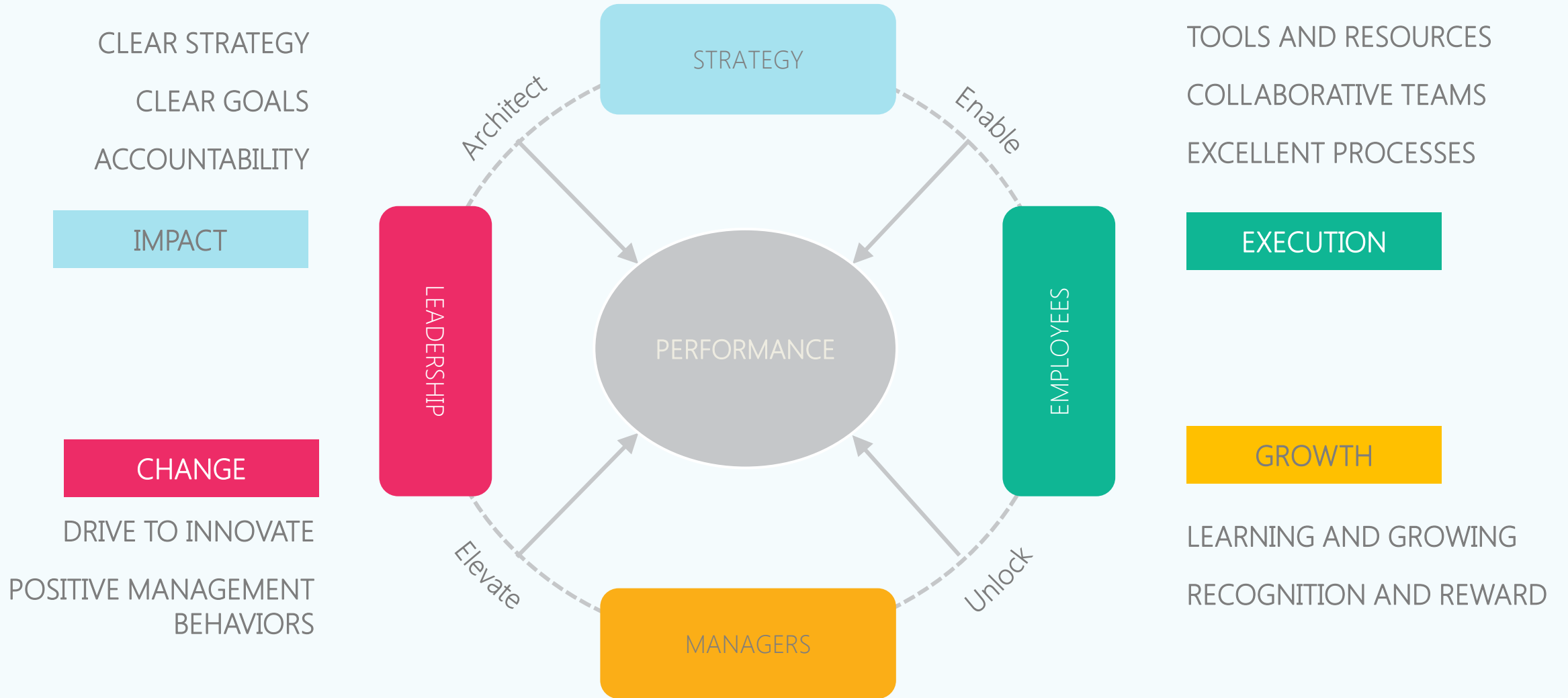


AI POWERED VIRTUAL FOCUS GROUPS





# ASK ABOUT THE TOTAL EMPLOYEE EXPERIENCE





# INTEGRATE YOUR DATA



# SO WHAT AM I SAYING?



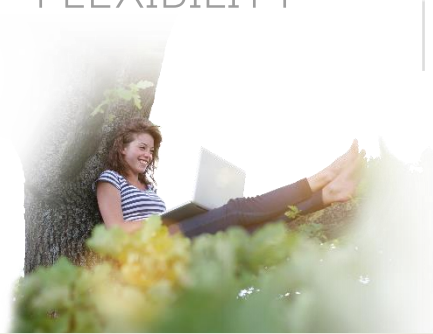
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To download our Talent Trends 2018 report: <https://www.mercer.com/our-thinking/career/global-talent-hr-trends.html#contactForm>

To discuss how to refresh your Employee Experience Survey: email [katerina.psychopaida@mercer.com](mailto:katerina.psychopaida@mercer.com)

## PARTING THOUGHT

“A good question is the seed of innovation —  
in science, technology, art, politics, and business....

A good question is a probe, a 'what if' scenario.

A good question cannot be predicted.

A good question may be the last job a machine  
will learn to do.

A good question is what humans are for.”

*Kevin Kelly, The Inevitable Understanding the 12  
Technological Forces That Will Shape Our Future*





**MERCER**

**MAKE TOMORROW, TODAY**