Mercer

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Global Talent Trends 2022
The rise of the Relatable Organization

July 2022

A business of Marsh McLennan

The future of work conversation: very often NOT about the future…

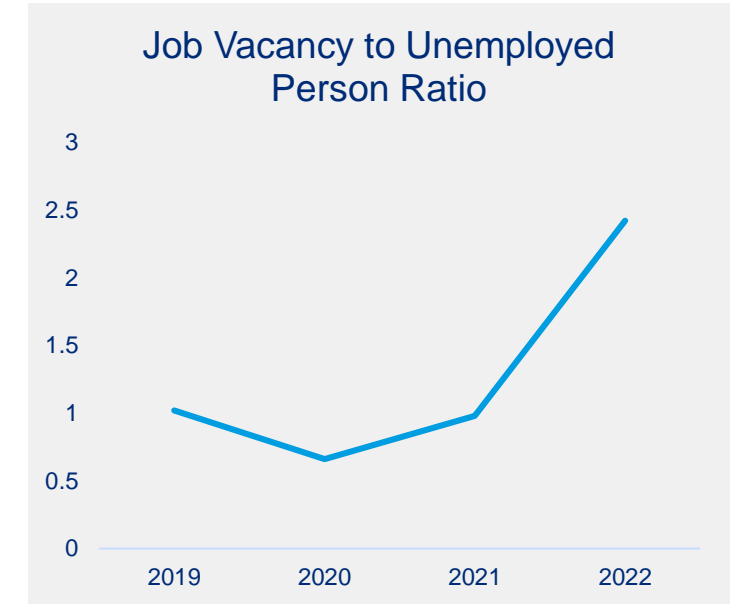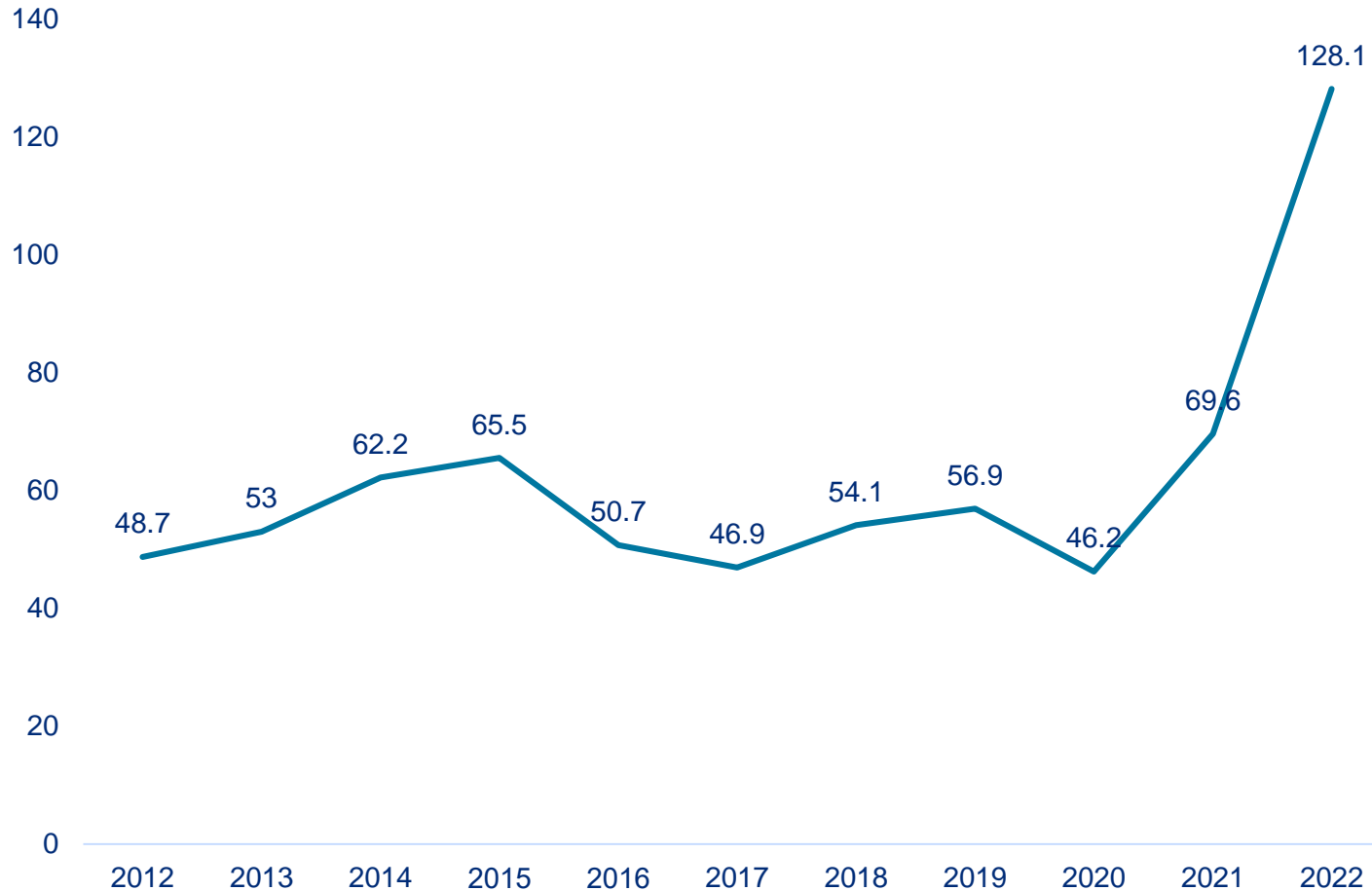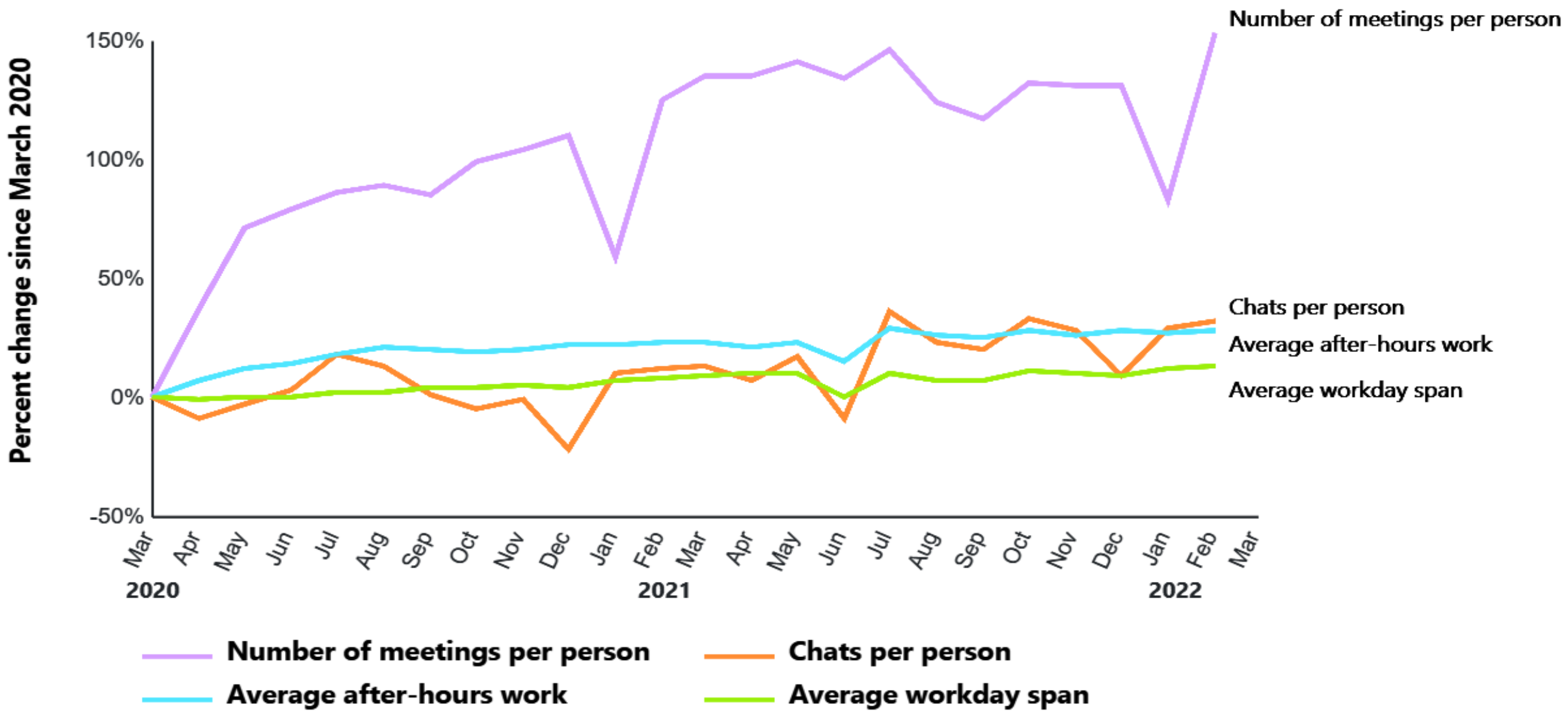

Before 2020: can a computer do my job?

2020+: where will I work and why?

Will a computer take your job? Right now, no.

Job Vacancies are double historical trends

As At March - average job vacancy ('000)

Job Vacancy to Unemployed Person Ratio

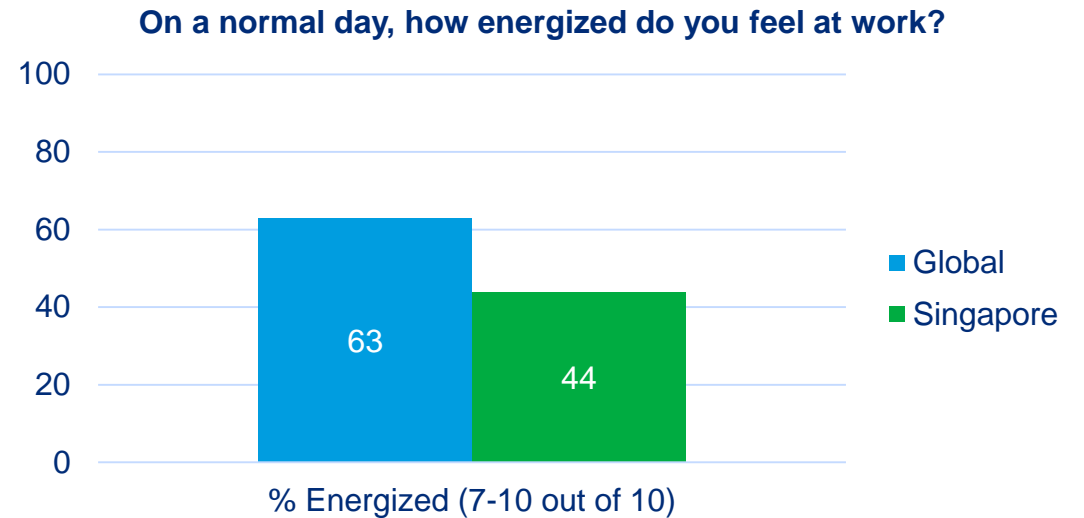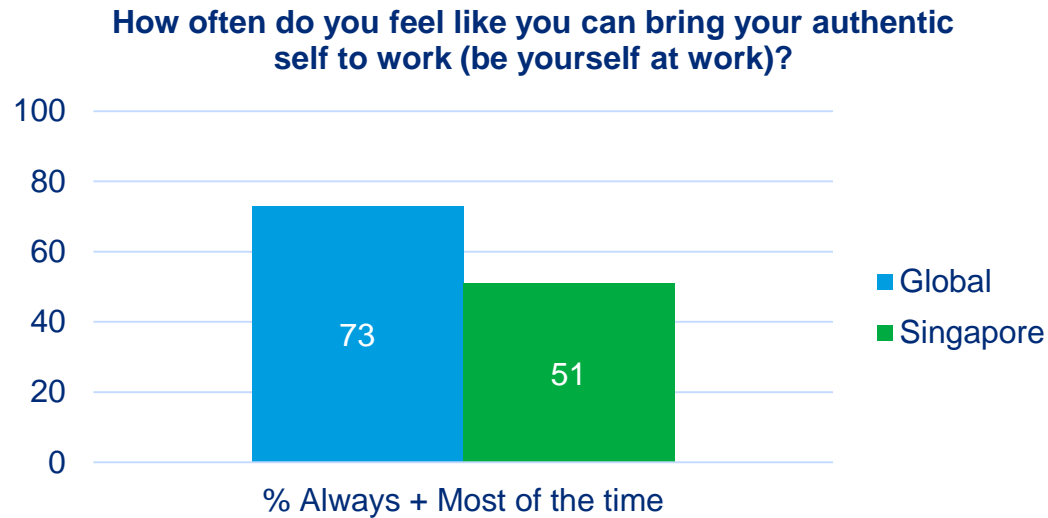Mercer   https://stats.mom.gov.sg/Pages/Job-Vacancy-Summary-Table.aspx   3

Analysis of collaboration activity across Microsoft 365 tools the past two years. This visualization is based on aggregated data, without personal or organization-identifying information.

What's the impact on employees?

Field survey of 503 employees in Singapore

How often do you feel like you can bring your authentic self to work (be yourself at work)?

- Global: 73
- Singapore: 51

% Always + Most of the time

On a normal day, how energized do you feel at work?

- Global: 63
- Singapore: 44

% Energized (7-10 out of 10)

How healthy is your workplace? (Consider both psychological safety and physical health and well-being)

- Global: 55
- Singapore: 42

Very healthy (4+5)

How satisfied are you with your organization right now?

- Global: 50
- Singapore: 36

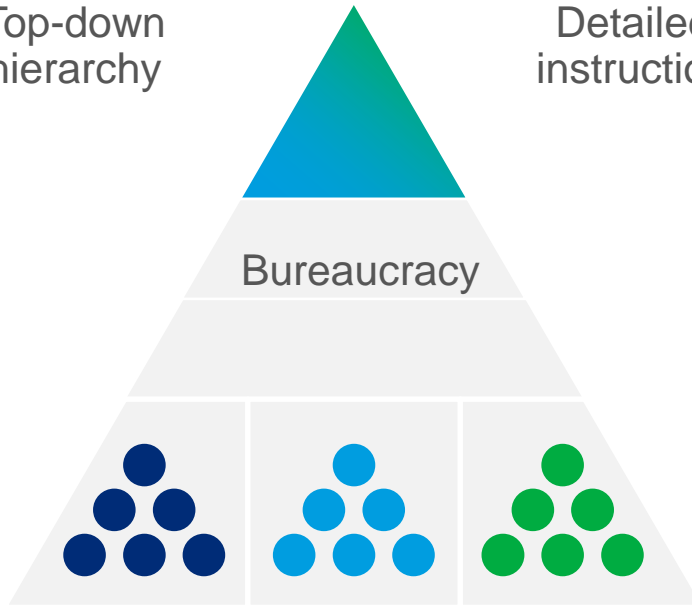I am very satisfied and do not plan to leave my organization

This is an opportunity to think differently about how we design and organise work

Top-down hierarchy

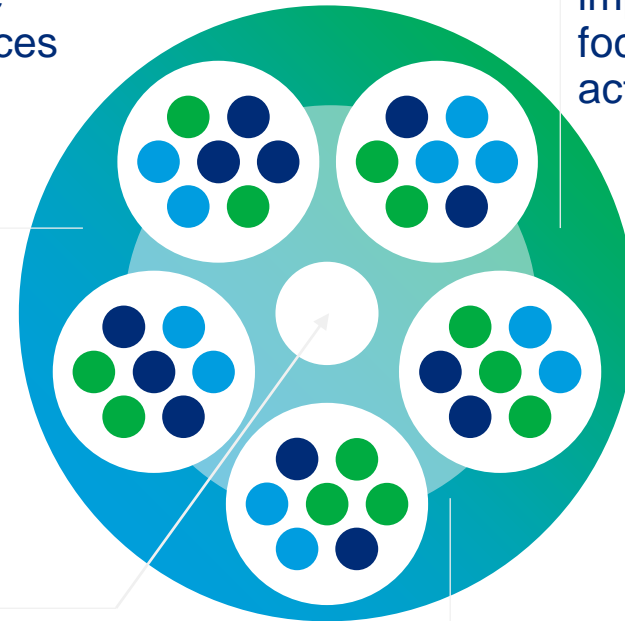Detailed instruction

Bureaucracy

Silos

Quick changes, flexible resources

"Boxes and lines" less important, focus on action

Leadership shows direction and enables action

Teams built around end-to-end accountability

We can't make this shift with the same thinking that created the way we work today

My job is|

my job is **boring**
my job is **meaningless**
my job is **making me depressed should i quit**
my job is **too stressful should i quit**
my job is **too difficult for me**
my job is **making me sick and depressed**
my job is **just a paycheck**
my job is **killing me**
my job is **making me sick**

DESIGN

Why Managers Design Jobs to Be More Boring Than They Need to Be

by Sharon K. Parker, Daniela Andrei, and Anja Van den Broeck

JUNE 05, 2019

Summary   Save   Share   2 Comment   Text Size   Print   **$8.95** Buy Copies

Voices that make up this year's study

10,910 employees, HR professionals, and executives from 13 industries and 16 geographies vocalize the importance of learning to relate to one another in a changing time

930 C-Suite executives

- **30%** anticipate less than 3% revenue growth
- **48%** anticipate 3-9% growth
- **22%** anticipate 10% or more growth

81%: The business agenda and the people agenda have never been more intertwined
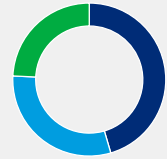
41%: The fundamental shift in our business required a reset of work, the workforce and the workplace

1,736 Senior HR professionals

- **76%** HR leader with HR background
- **23%** HR leader with non-HR background

- **33%** CHRO/CPO
- **27%** Exec/SVP/VP
- **40%** Other

91%: We strategize more with executives on human capital risk

96%: We intend to make design changes to the HR function

8,244 Employee voices
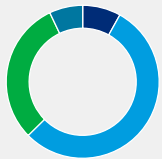
- **8%** Gen Z
- **54%** Gen Y
- **30%** Gen X
- **7%** Baby Boomers
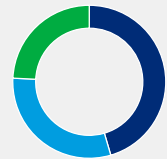
- **45%** Remote
- **30%** Hybrid
- **24%** Onsite

78%: My company empowers me to work with minimal oversight

81%: I feel at risk of burnout this year (up from 63% in 2020)

Workforce challenges weigh heavy on executives' minds this year

96% feel they are in an employee-centric labor market

63% worry about hiring the right talent at the right price at the right pace

56% worry about lower **engagement among certain populations**

66% are facing a labor shortage crises

Executives see their organization impacted by:

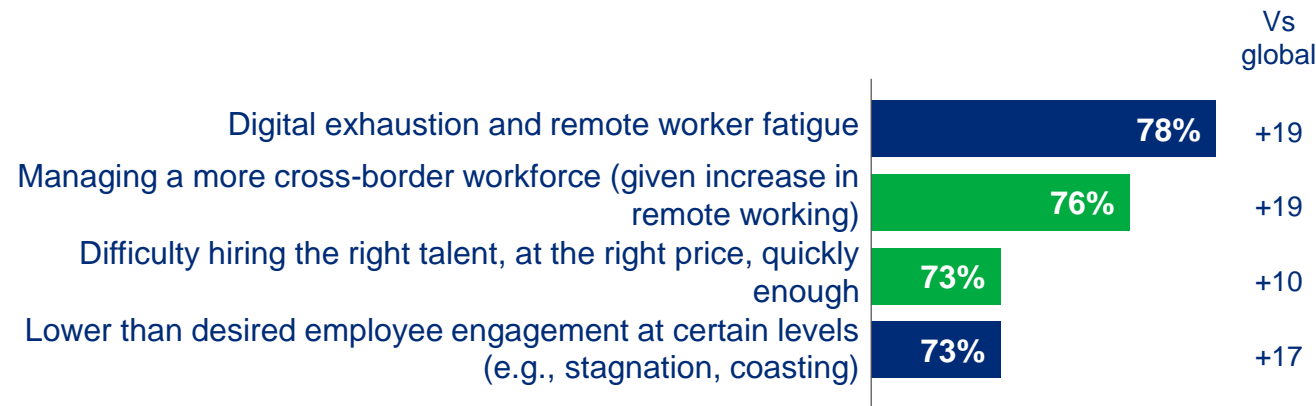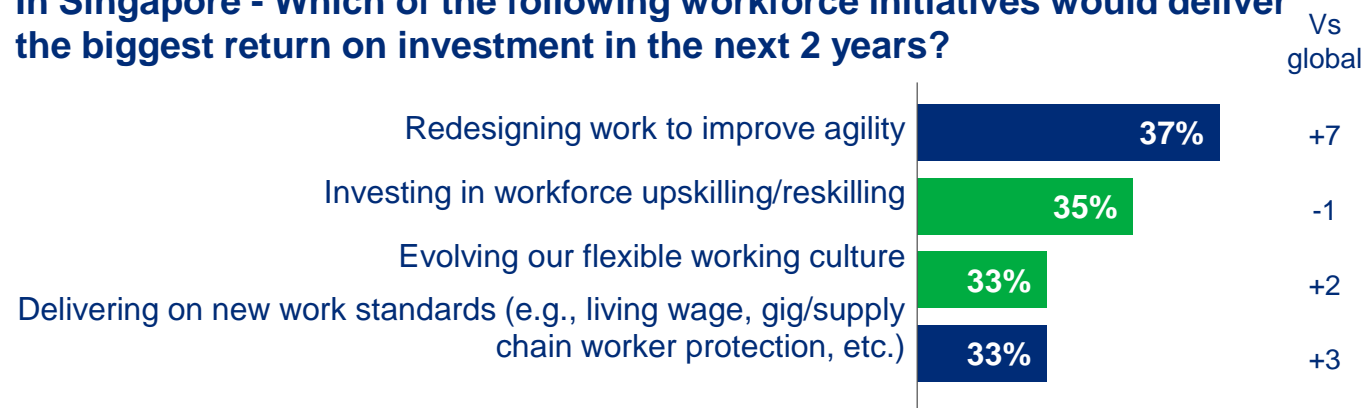**Digital exhaustion**
88%

Absenteeism
87%

Loss of talent
89%

In Singapore - To what extent do you foresee your organization impacted by the following workforce challenges in 2022 (Impacted moderately + to a great extent)

Vs global

Challenge	%	Vs global
Digital exhaustion and remote worker fatigue	78%	+19
Managing a more cross-border workforce (given increase in remote working)	76%	+19
Difficulty hiring the right talent, at the right price, quickly enough	73%	+10
Lower than desired employee engagement at certain levels (e.g., stagnation, coasting)	73%	+17

In Singapore - Which of the following workforce initiatives would deliver the biggest return on investment in the next 2 years?

Vs global

Initiative	%	Vs global
Redesigning work to improve agility	37%	+7
Investing in workforce upskilling/reskilling	35%	-1
Evolving our flexible working culture	33%	+2
Delivering on new work standards (e.g., living wage, gig/supply chain worker protection, etc.)	33%	+3

reset for **relevance**

Brand/reputation is the biggest reason that employees join a company, after job security

(up from #9 in 2020)
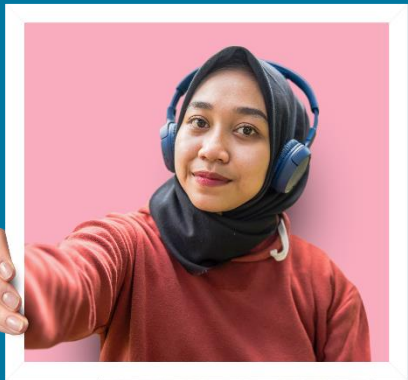
work in **partnership**

39% would **give up a pay increase in 2022 in return for the ability to work a fully-flexible** or compressed work schedule (e.g., four-day work week)

deliver on **total well-being**

Mental and emotional well-being strategies are the most popular action to support long term employee health

build for **employability**

50% of HR teams in Singapore are executing **target reskilling and upskilling for expensive/scarce skills**

harness **collective energy**

92% of HR leaders say that they need to **build a more trusting company culture as we shift to a hybrid work model**

Which trends will be critical to make progress on?

Reset for Relevance

- Make values visible and build a culture of ESG and sustainability
- Build a new work operating system aligned to changing business needs

Work in Partnership

- Ensure your value proposition aligns to changing expectations of employees
- Seek to build alignment between executives and employees on new work models

Deliver on Total Well-Being

- Take a data-driven approach to ensure benefits are fit-for-purpose
- Ensure total well-being addresses all aspects – physical, mental, social and financial

Build for Employability

- Accelerate plans to build a skills based organization
- Deliver on a pay-for-skills strategy to ensure employees are incentivized
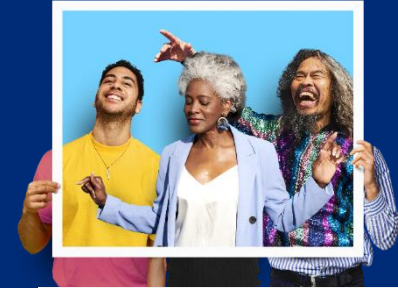
Harness Collective Energy

- Re-examine work to reduce areas of friction that are depleting employee energy
- Ensure HR models are aligned to deliver the change needed

Global Talent Trends 2022

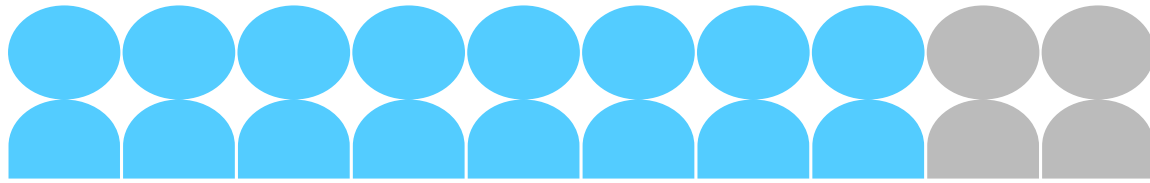*Relatable organizations have two ears, one mouth and many hands*

To learn more about how relatable organizations are staying ahead this year, register for our report online
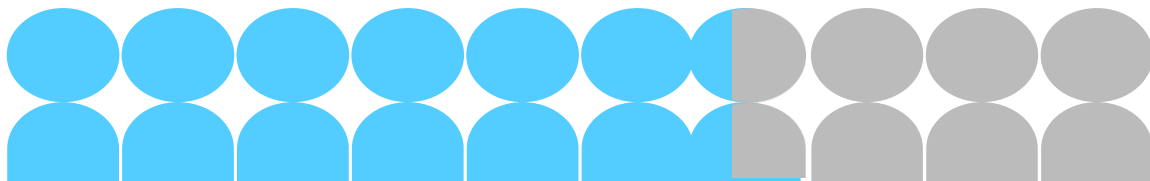
https://www.mercer.com/our-thinking/career/global-talent-hr-trends.html

Globally, employees are feeling much more at risk of burnout…

In 2022, **81%** of employees feel at risk of burnout compared to **63%** pre-pandemic

Mercer
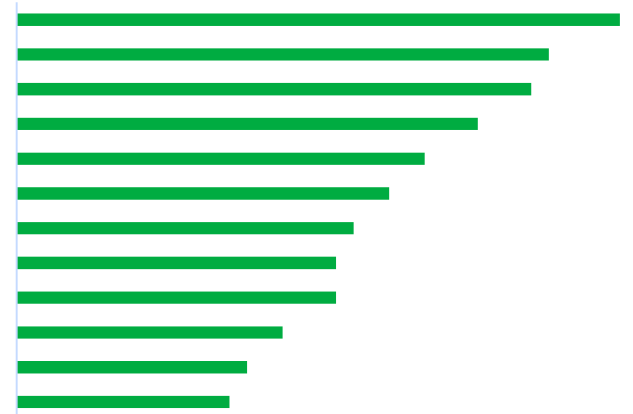
Executives: To what extent do you foresee your organization impacted by the following workforce challenges in 2022 (Impacted moderately + to a great extent)	Global	SG
Digital exhaustion and remote worker fatigue	59%	78%
Lower than desired employee engagement at certain levels (e.g., stagnation, coasting)	56%	73%
High employee sick/absence rates impacting productivity	59%	71%

… they ranked employee wellbeing as **#9 initiative** most likely to deliver the biggest ROI in the next two years; globally executives ranked employee wellbeing as **#2**

EVERY COMPANY: We'd like to promote mental health in the workplace.

EMPLOYEES: How about hiring more people so we feel less pressured & increase our pay so we can keep up with the spiraling cost of living so we're not so stressed out.

EVERY COMPANY: No not like that. Try Yoga.

JUST BE RESILIENT!

COVID

A YEAR IN QUARANTINE

HATE CRIMES

INSTABILITY

@LIZANDMOLLIE

Individual and collective support

Connecting with people and looking for ways to be of service to the community

Prevention and health maintenance

Taking care of your health and building good habits

Reduce stress and build resilience

Learning how to manage stress and building resilience to life's challenges

Financial security

Finding ways to build a secure future

PHYSICAL

SOCIAL

MENTAL

FINANCIAL

A caring workplace has a *thriving* workforce

Nine in ten executives are concerned about high employee sickness/absence rates and remote worker fatigue this year

What we know about *thriving* **employees:**

4x more likely
to say their companies are meeting their needs

4x more likely
to be satisfied and not plan to leave their organization

Thriving employees are:

7x more likely
to say they work in a healthy workplace

So, what is different about how they describe their workplace?

Physical well-being is a priority

2x more likely
to say their company helps them afford medical care

Social needs are met

3x more likely
to feel connected to coworkers when remote working

Holistic approach & culture

Emotional well-being is supported

3x more likely
to say their company takes mental health seriously

The company cares about financial well-being

2x more likely
to trust their company to help them prepare for retirement
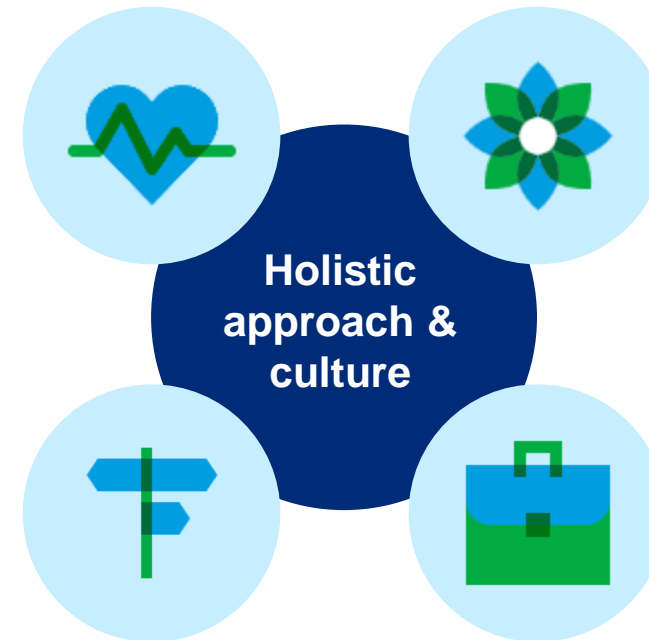
Thinking about the culture of your workplace, to what extent do you agree or disagree with each statement below?	Global	SG
		81%
I would recommend my employer to a friend	79%	71%
It is acceptable to say "no" to unreasonable work requests	77%	71%
I can voice my opinion openly without fear of repercussion	76%	68%

reset for **relevance**

work in **partnership**

deliver on **total well-being**

build for
employability

harness **collective energy**

#2 agenda item for Executives in 2022 is reskilling

Top HR priority for 2022 is to design talent processes around skills

93% of employees recently tried to learn a new skill

97% of HR say their company has significant skill gaps

Organizations and employees need to bridge the gap to build capability and prosperity for all

Source: Mercer's 2022 Global Talent Trend, Singapore datas

What is getting in the way of building a skills-based organization?
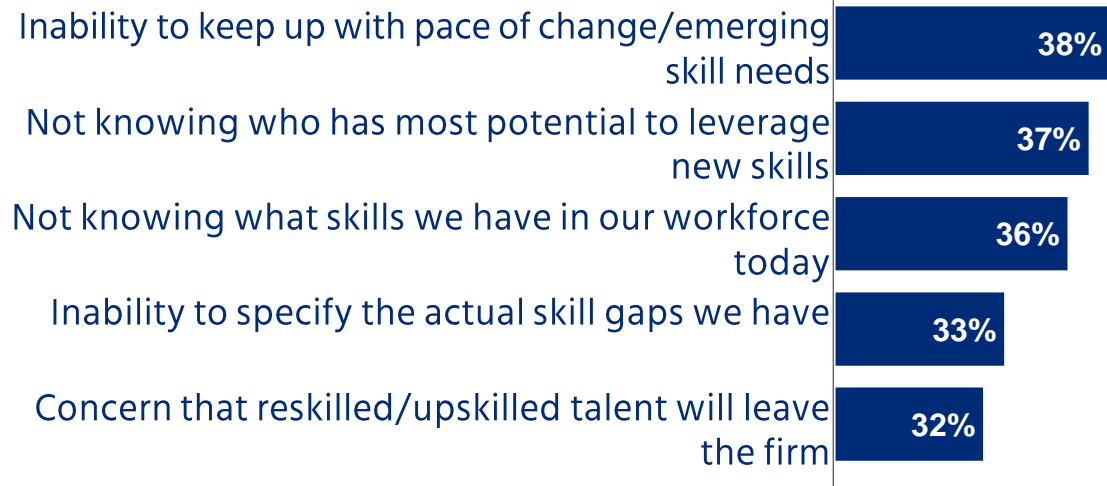
What are the top barriers for reskilling in your organisation?
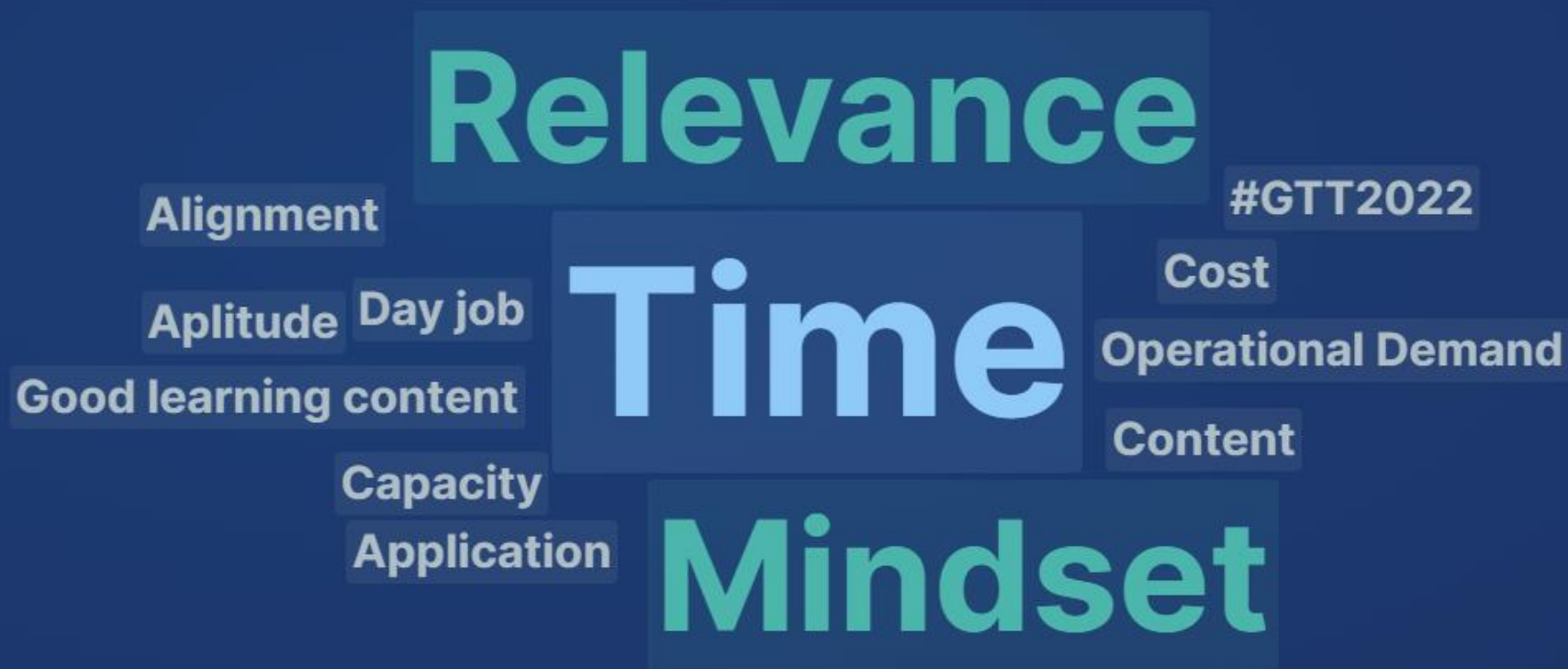
What is getting in the way of building a skills-based organization?

HR sees a number of barriers to skilling at scale

Barrier	Percentage
Inability to keep up with pace of change/emerging skill needs	38%
Not knowing who has most potential to leverage new skills	37%
Not knowing what skills we have in our workforce today	36%
Inability to specify the actual skill gaps we have	33%
Concern that reskilled/upskilled talent will leave the firm	32%

Employees crave focused reskilling and a visible pay-off

84% of employees know what skills will become more important in the future and/or may be at risk of becoming obsolete

Top 2 barriers to reskilling according to employees: not enough time and not sure which skills to focus on for career progress

1 in 5 are not convinced reskilling will improve their chances of promotion

"There has been a five-fold increase in employer provision of online learning opportunities to workers"

What strategies are being used to build a skills-based organization?

What initiatives are you driving to create a skill based organisation?
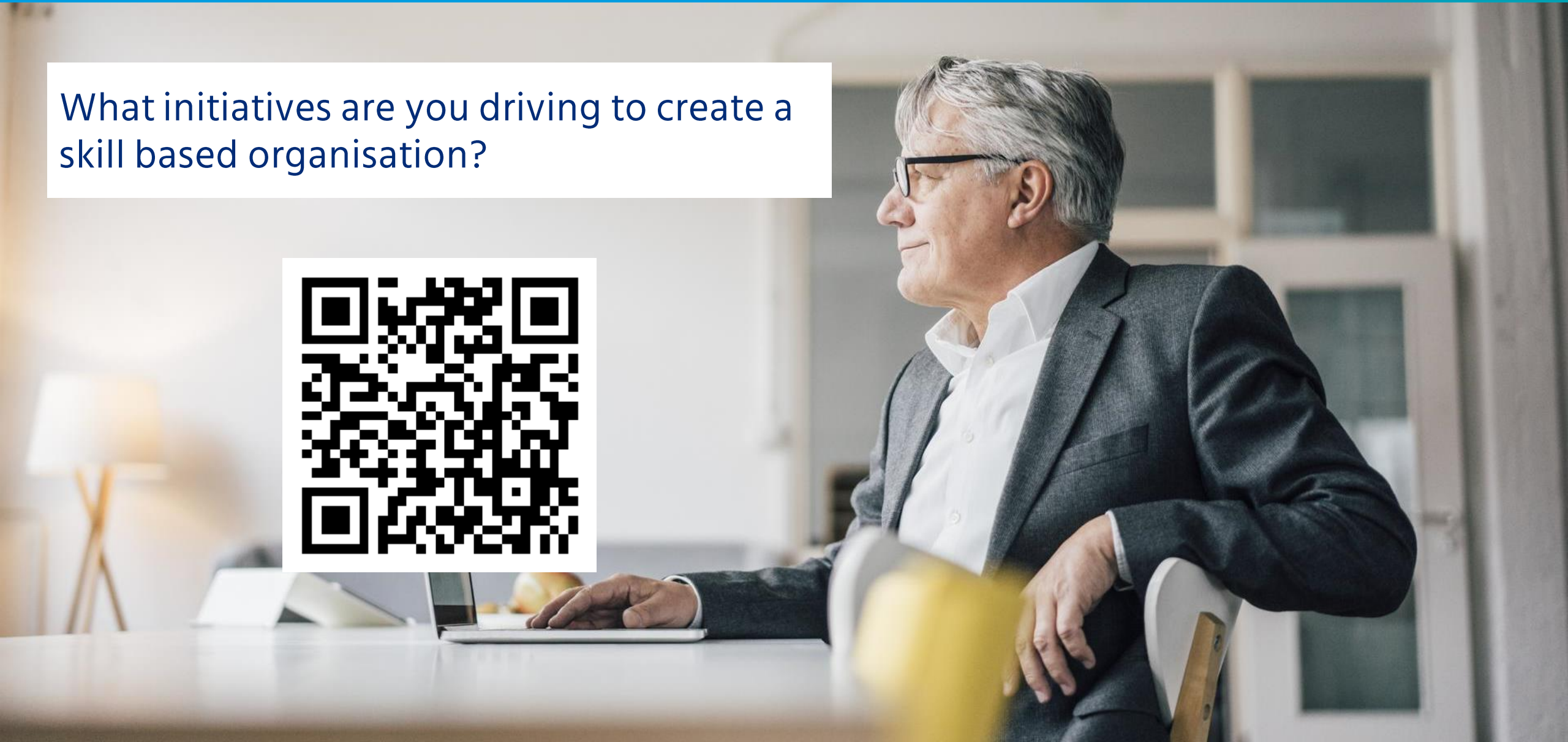
What initiatives are you driving to create a skill based organisation?

Development conversations

Learning leave

cross training

Enhance HRIS

Alignment to Purpose

Digital

OJT

OTJ training

Experiences

Identifying sunset roles

Skills framework

Talent marketplace

Skill set of sunrise role

AI skill based platform

Incentivizing employability

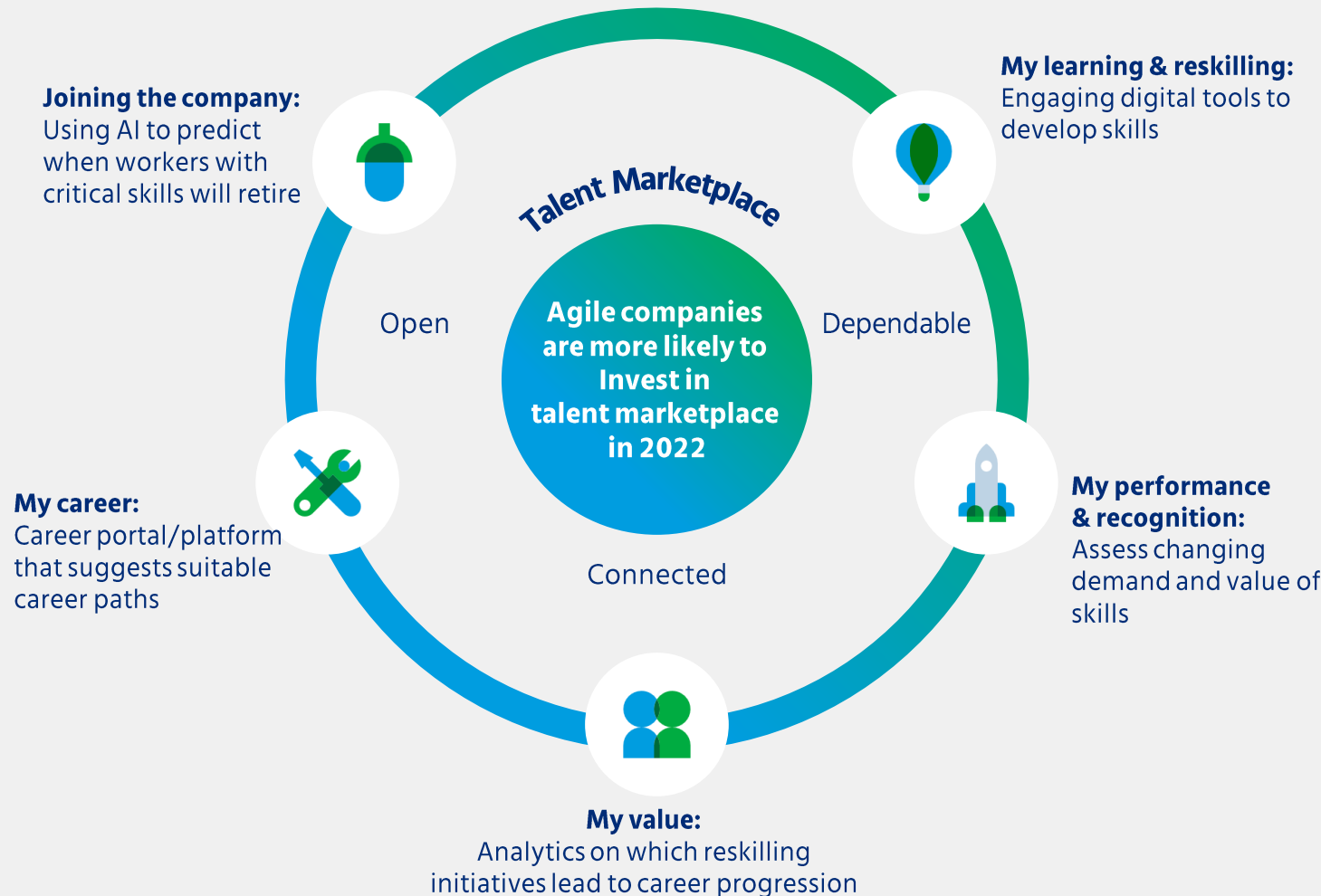## Strategies HR is using to ensure a ready flow of talent in 2022

50% targeted reskilling/ upskilling for Expensive/scarce skills

49% Ensuring talent processes (e.g., hiring, pay, promotion) reward acquisition of new skills

45% Use workforce planning technology that focuses on skills rather than headcount

Flow talent to work using a talent marketplace

Particularly relevant for "stretching" scarce skills and when the skills required for work are changing quickly

Joining the company:
Using AI to predict when workers with critical skills will retire

My learning & reskilling:
Engaging digital tools to develop skills

Open

Talent Marketplace

Dependable

Agile companies are more likely to Invest in talent marketplace in 2022

My career:
Career portal/platform that suggests suitable career paths

Connected

My performance & recognition:
Assess changing demand and value of skills

My value:
Analytics on which reskilling initiatives lead to career progression

Incentivizing employability
Using Rewards to drive upskilling (A Case study)

Organizational Context

Needed a structured way to recognise market pay premiums across niche jobs

Traditional pay-for-job model at the Agency did not motivate upskilling and reskilling

Key Solutions Recommended

Generic Salary Range (At market)	Premium Salary Range (X% above Generic Range)	Critical Salary Range (X+Y% above Generic Range)
• Most corporate jobs • Most tech jobs	• Software engineering • Data science • Systems engineer • Project manager •	• Digital marketing • Legal • UX design • Cybersecurity • Solution architecture • ....

Generic Salary Range (At market)	Premium Salary Range (X% above Generic Range)	Critical Salary Range (X+Y% above Generic Range)
• All corporate jobs Most tech jobs	• Software engineering • Data science • Systems engineer • Project manager • UX design •	• Digital marketing • Legal • UX design • Cybersecurity • Solution architecture • Data science • ....

Competencies Rating	Employee's Current Position-in-Range				
	Below Min	Q1	Q2	Q3	Q4
Does not have at least Has 90% of all job-required competencies	Base SI	0%	0%	0%	0%
Has at least 70% of all job-required competencies	Base SI +2%	Base SI	0%	0%	0%
Has at least 90% of all job-required competencies	Base SI +4%	Base SI +2%	Base SI	0%	0%
Has all job-required competencies and exceeded required proficiency levels on a few	Base SI +5.5%	Base SI +4%	Base SI +2%	Base SI	0%
Has all job-required competencies and exceeded required proficiency levels on half or more	Base SI +7%	Base SI +5.5%	Base SI +4%	Base SI +2%	Base SI

Considering both market data as well as criticality of jobs to the Agency and actual talent attraction/retention data, arrived at two separate pay ranges that apply to all jobs

Only employees who have been assessed as having the necessary skills were eligible for merit increment and access to the premium ranges (linking assessments)

Key Learnings

- Integrating rewards and skills development can invigorate focus on L&D – what gets measured and rewarded, gets done

Key Impact

- The Agency has a way of rewarding niche skills, but also a mechanism to motivate upskilling and reskilling due to the linkages built between skills & rewards
- The shift away from pay-for-jobs meant that employees holding critical positions do not automatically get a higher pay unless they have the right competencies/ capabilities

How can you build your employees' employability?

Secure the future with skills

Build pathways to prosperity for all

Power up your skills agenda:

- ✓ Promote purposeful learning
- ✓ Focus on reskilling which impacts career progression
- ✓ Celebrate skills-based career moves
- ✓ Close the internal/external pay gap with market pricing (skills based pay)
- ✓ See ahead on trending skills with AI

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