How ready are organizations for skills-driven talent practices?

In Mercer’s Skills-Based Pay Survey, over 430 companies provided their perspectives on the successes and challenges with linking and rewarding the desired skills, that align with their business strategies. Among companies monitoring the market demand for skills availability, 43% linked rewards for skills more important; higher or significantly higher than others – making talent acquisition and retention even more challenging.

57% of organizations already have some form of approach for classifying skills.

Do companies have an approach for classifying skills at any level of the company?

Among companies that assess people against the relevant skill expectations, are they tied to a specific HR-process?

Do companies monitor the market demand/availability of skills?

Is your organization ready to advance skills-based practices?

To build more agile workforces, forward-thinking businesses are shifting from jobs to skills. Among companies that have done so, 63% of employers report assessing their employees against a relevant skills expectation.

30% of employers report assessing their employees against a relevant skills expectation.

- Yes, continuously
- Yes, annually
- Yes, biannually
- Yes, but only as needed
- No
- Other

These are the 3 top areas linked to skills assessment:

- 30% to job performance management
- 17% to career development
- 10% to year-end evaluation
- 7% to performance management
- 6% to career development
- 5% to year-end evaluation

More than 50% of respondents link rewards to the development of skills.

- Yes, continuously
- Yes, annually
- Yes, biannually
- Yes, but only as needed
- No
- Other

- Yes, Yes, Yes
- Yes, Yes, No
- Yes, No, No
- No, No, No

50% of talent acquisition departments do not monitor market demand or availability of skills.

Find out more at: mercer.com/skills-edge