

HEALTH WEALTH CAREER

CREATING A COMPELLING EMPLOYEE EXPERIENCE FOR THE FUTURE OF WORK

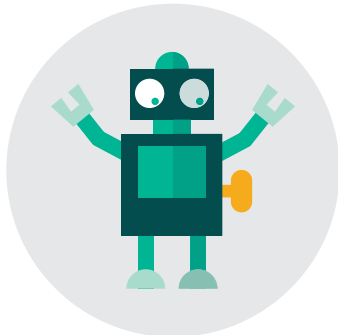
A NEW FRAMEWORK FOR TOTAL REWARDS



MAKE TOMORROW, TODAY

 MERCER

THE FUTURE OF WORK IS CHANGING



Technology is creating sizeable workplace disruption. Automation, artificial intelligence, digitalization, consumerization and globalization are all rapidly changing the way work gets done. At the same time, sociodemographic changes are changing the nature of the workplace. Individuals are living longer and working longer. We are seeing continual increases in the gig economy and free agents, and the digital social world is creating new models of what it means to “go to work.”



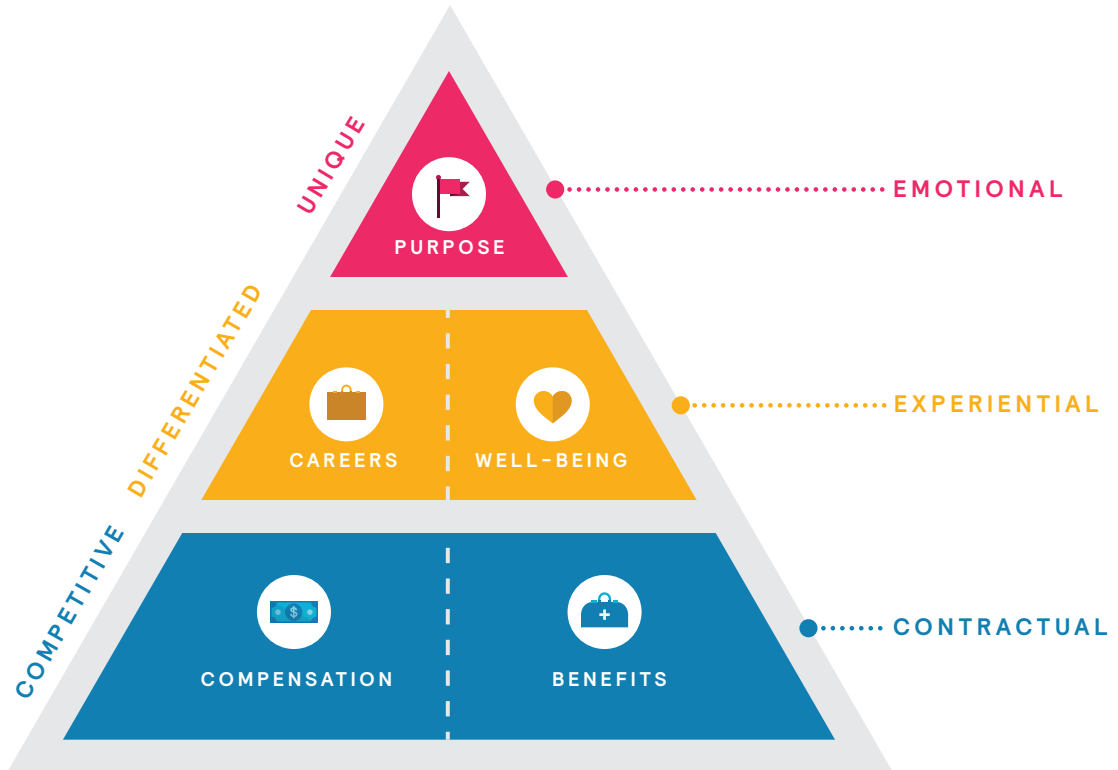
The disruption in technology is driving major challenges with employers – not just for managing the change but, more important, for identifying, sourcing and retaining talent with the RIGHT skills needed for the future. In a recent Mercer Talent Trends Survey, executives ranked scarcity of required talent as the #1 global economic and social issue most likely to affect their organizations. Tightening labor markets are expected to multiply this concern – with most economies at or near 10-year unemployment lows.



Our research shows that, globally, 1 in 3 employees say they are satisfied with their employers, but are still considering leaving. These employees say they are satisfied not just with their employer overall but also with their pay, benefits and careers. Traditional reward levers are not having the impact they once had. Therefore, to create a compelling employee experience, we must rethink total rewards.

To be competitive in the future, the time is now for employers to define the employee experience that will make the right talent want to join, stay and deliver their best performance.

A NEW FRAMEWORK FOR REWARDS



To provide a compelling employee experience in this new world of work, we must think holistically about rewards. This involves expanding our view on rewards from the traditional contractual components (compensation and benefits), to include the experiential and emotional components. The experiential component includes career and well-being, to drive an experience that enhances an employee’s life personally, professionally and financially both inside and outside of work. The emotional connection comes through purpose – connecting employees to the organization’s mission, vision and social responsibility initiatives and delivering meaningful work experiences that provide personal fulfillment. Research shows that maximizing these experiential and emotional reward components can have greater business impact than the contractual components of rewards.

MERCER APPROACHES DEVELOPING TOTAL REWARDS STRATEGIES WITH FOUR KEY TENETS:



MULTI-PERSPECTIVE

Considering the perspectives of the employer, employee, external market and cost



DATA-DRIVEN

Using a rich fact base to measure not only what employees say but also what they do



TARGETED

Identifying segments within your workforce with unique needs and values



ENGAGING

Promoting engagement with rewards programs to drive behavioral change

WHY INVEST?

OPTIMIZING THE EMPLOYEE EXPERIENCE DRIVES RESULTS

- At a financial services company, modest improvements in employee attitudes were linked to \$500 million in asset growth and \$28 million in revenue due to increased customer satisfaction.
- In retail, a shift in the earnings resulted in 15% improvement in store performance, a 5% reduction in turnover and a five-point increase in customer ratings.
- Predictive analytics at one client revealed that tailored reallocation of dollars across rewards programs would result in improved financial results.

FLEXIBLE SOLUTIONS TO MEET YOUR NEEDS

Mercer provides a range of flexible options to work with clients to enhance their total rewards strategy and optimize the employee experience. To learn more about our rewards strategy offerings, contact your local Mercer representative or visit us online at www.mercer.com.

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