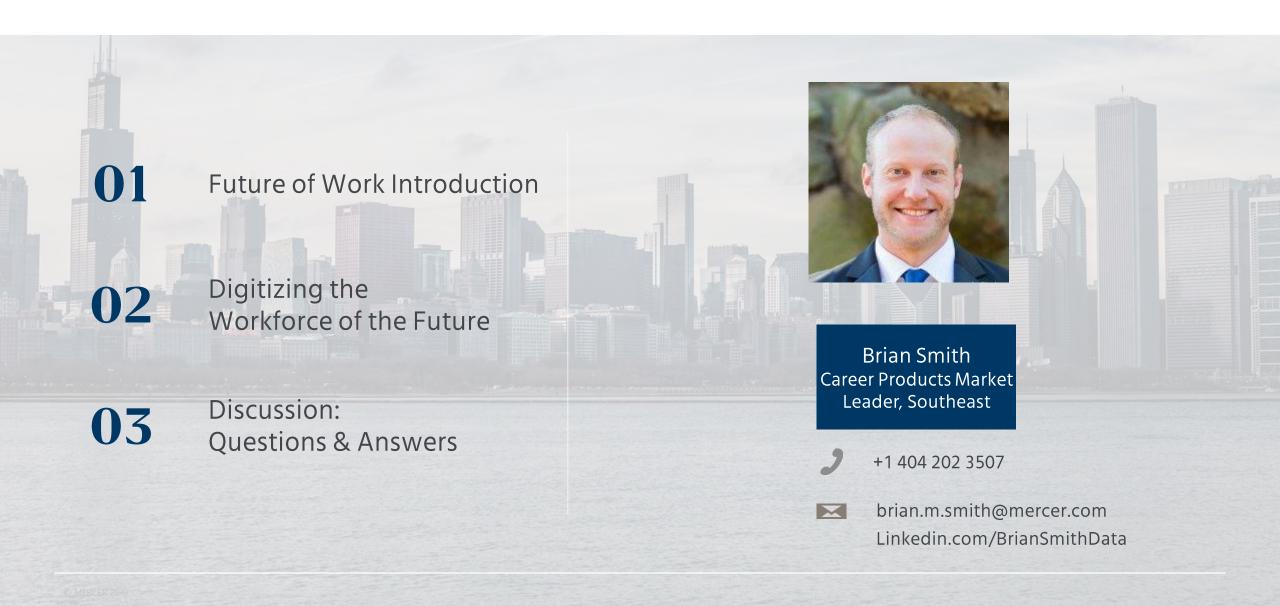


# Digitizing the Employee Experience





#### **Agenda**



## Digitalization, business model disruption, automation, and AI are accelerating the evolution of work

while the nature of "a worker" is experiencing its own revolution

What can we expect in 2020 and beyond?



#### The employee experience is falling short

#### creating a rift between employers and employees



#### perception of inequality

Only **1 in 5** employees give their company an "A" grade for equity in pay and promotion<sup>1</sup>



#### uncertain future

**44%** of employees don't understand their available career paths<sup>2</sup>



#### declining health

1 in 3 workers reported not being in good health or in fair health; 1 in 5 has a chronic health condition<sup>3</sup>



#### lack of empathy

Only 1 in 5 workers believe their company cares "a great deal" about their wellbeing<sup>3</sup>

Source: <sup>1</sup>Mercer 2019 Global Talent Trends; <sup>2</sup>Mercer Sirota Normative Database, <sup>3</sup>Mercer 2020 Health on Demand Research



- Q my job is
- my job is killing me
- my job is boring
- my job is meaningless
- my job is too stressful
- my job is a waste of time
- my job is too hard
- my job is toxic
- my job is too hard for me
- my job is killing my soul
- my job is pointless

Google Search

I'm Feeling Lucky

Report inappropriate predictions





## **Employee experience is the way forward** to drive better business outcomes

#### environment

The touchpoints, shaped by interactions within the organization

culture, people & leaders, work, programs & processes, workplace / tech

life events, career events, organization events

#### events

A sequence of moments in an employee's journey, both scripted and unscripted



My expectations, shaped by who I am and what I value



employee experience



Employee experience is the intersection of an employee's expectations, the environment and events that shape their journey within the organization.





energize the

## experience

Inspire and invigorate people by redesigning their work experience



#### What's different about those energized by their jobs

## **Energized employees**

More likely to be thriving and staying

More likely to extend their working lives

More likely to believe they are contributing to a high-performing organization

**More likely** to ask for a promotion







**More likely** to be unsatisfied BUT staying

**More likely** to share that they feel at risk of burn out

**Less likely** to know how their pay benchmarks

**Less confident** in embracing the reskilling agenda

#### **Employees that are energized want 4 things from their work**

#### **Empathetic**

"Support me with caring for myself and what matters in my life"

7x more likely to work for an organization that they describe as very empathetic to individuals needs in decision making

**3.4x** more likely to trust that their organization is doing the **right thing for society** at large

#### **Enriching**

"Help me have an impact and fulfill my personal or professional purpose"

**3.4x** more likely to say that their work **contributes to a** worthwhile mission

3.2x more likely to say my company gives me the opportunity to grow personally and professionally

#### **Embracing**

"Help me feel like I belong and can bring my whole self to work"

**4x** more likely to say they have effective programs to develop **diverse leaders** 

3x as likely to say their environment has a climate of trust

#### **Efficient**

"Make it simple and easy to find what I need, when I need it"

3x more likely to have digital tools to support training and development

1.6x more likely to say HR processes work pretty well and there is a good balance between digital and human interactions

#### What makes a great EX strategy? Knowing your people

Employees that agree their unique **skills** and **interests** are understood by their employer:



in high-performing companies



in **low- performing**companies

**62%** of companies use continuous feedback tools for pulse-checks (26% increase from 2019)

53% of companies are using analytics to identify key drivers of engagement (61% increase from 2019)

One size doesn't fit all. What helps people thrive varies:

#### Gen Z

Opportunities to learn

Connections with colleagues

Recognition

#### Gen Y

Opportunities to learn

Recognition

Meaningful projects

#### Gen X

Recognition

Opportunities to learn

Meaningful projects

#### **Baby Boomers**

Recognition

Work/life balance

Connections with colleagues

#### **MEASURE**

experiences through continuous listening and analytics

**71%** of HR leaders say their EVP is segmented into different persona groups

**24%** of companies use employee personas as part of their broader EX approach

#### **MERCER**

#### What makes a great EX strategy? Design for health & wellbeing

#### 2 in 3 employees believe they are at risk of burnout this year

#### Which wellbeing initiatives do you use today?



#### Design wellbeing programs that make a difference

Energized employees are **6x** more likely to say their workplace is focused on health & wellbeing. **But today just:** 

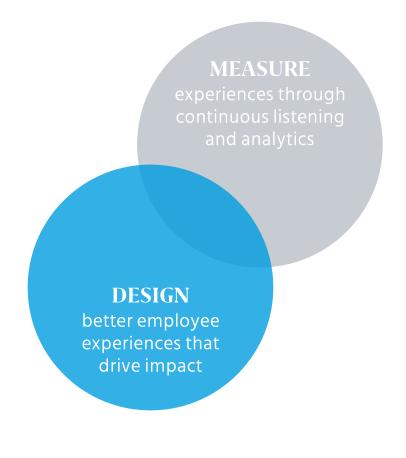
29% of orgs have a Health & Wellbeing strategy

23% use metrics to gauge outcomes of Wellbeing programs



#### What makes a great EX strategy?





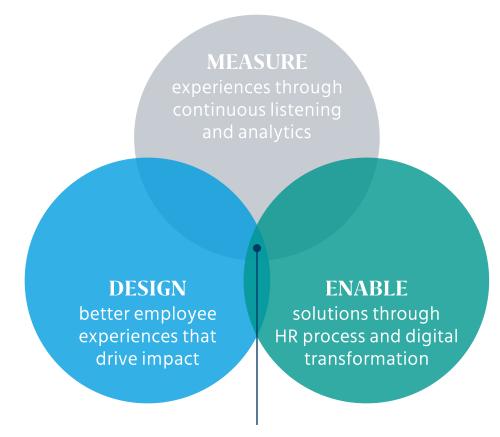
#### What makes a great EX strategy - A focus on target interactions

58% are redesigning their organization to be more human centric

**22%** of employees say HR processes have gone digital/online, but some necessary human interactions was lost

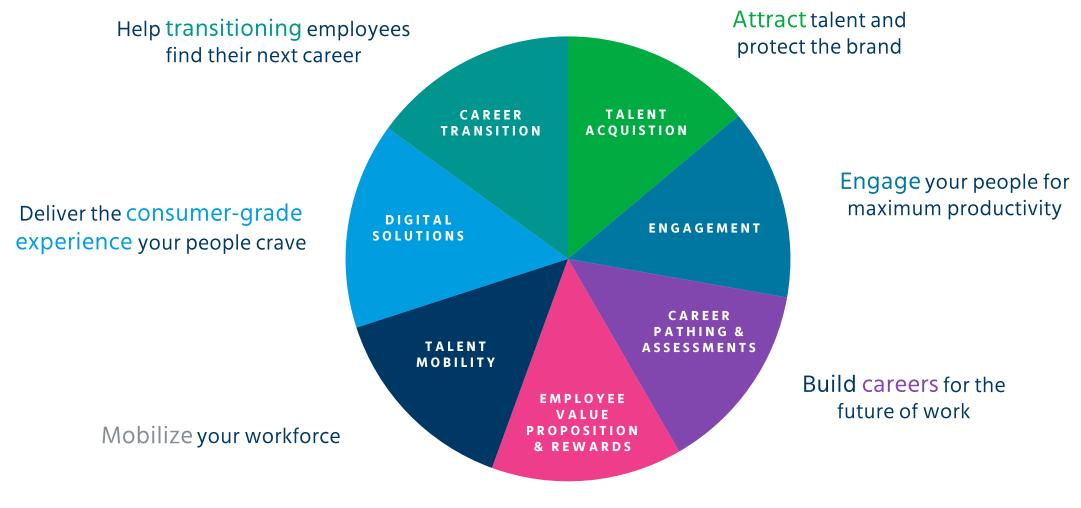
What EX technology are you investing in in 2020?

Intelligent 'nudging' technology	49%
Chatbots for IT, HR, or other service delivery	47%
Colleague recognition tool	45%
Collaboration / remote team technology	44%
Innovation/ideation technology	44%
Outplacement digital offering	43%
Organizational network analysis (ONA)	43%
Personalized self-service employee portal	42%
Reward management system	42%
Mentorship tool/app	42%
Remote healthcare / telemedicine	42%
Personal financial management tool (wealth calculators)	41%



Great EX strategies have all these components

#### **Digitizing the Employee Experience**





Connect value to work and reward key performers (US) Inc. All rights reserved.

#### Mercer's POV on Consumer-Grade Employee Experience



- Artificial Intelligence
- Machine Learning
- Candidate Experience
- Gamification
- Brand Amplification
- Mobile

#### **On Average**

Did you know ...



Source: WSJ Jobs2Web study, 2011



#### **Candidate Experience**

63%

Of job applicants never hear back from an employer on the status of their application

0.3%

Companies only hire on average 0.3% of their total applicants

72%

Candidates who don't hear back say they would not be likely to recommend that employer's product or services

58%

Candidates who don't hear back say they're unlikely to buy a product or service from that company

#### A Smarter Way to Hire

#### **Combining Neuroscience, Games and Big Data**

Challenges	ROI
I'm not finding the right talent  My hiring process is too long  We're looking to innovate  Talent Acquisition	<ul> <li>A 5-10x reduction in the number of resume reviews necessary</li> <li>Reduced interview to hire ratio from 38 to 6</li> <li>Improve speed to hire, quality of hires</li> </ul>
Hiring best fit talent is too expensive	<ul> <li>Cost savings: \$445k for one Financial Services client</li> <li>Reduced spend on other job boards</li> </ul>
We have a diversity challenge	<ul> <li>Achieved 50:50 gender parity vs.</li> <li>80:20 prior without compromising candidate quality</li> </ul>
We have a retention challenge	• 29% increase in 90 Day Retention

#### **Play Games**





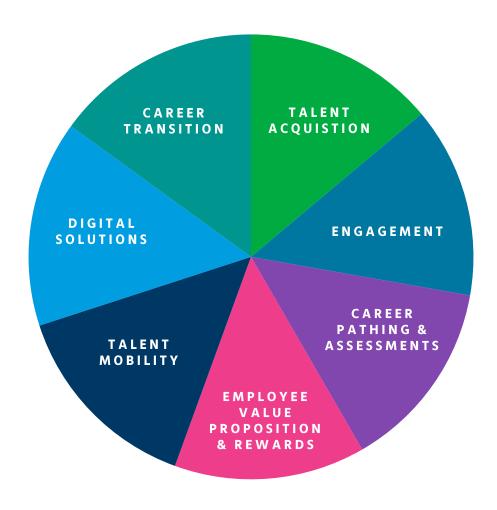
#### **Match to Career and Jobs**







#### Mercer's POV on Consumer-Grade Employee Experience



- Talent + Engagement = Performance
- Online & Mobile
- Real-time analytics



#### **Open Up Multiple Feedback Channels**

Employee Feedback Programs

> Monitor Sentiment

Snapshot Insights

Al Powered Virtual Focus Groups





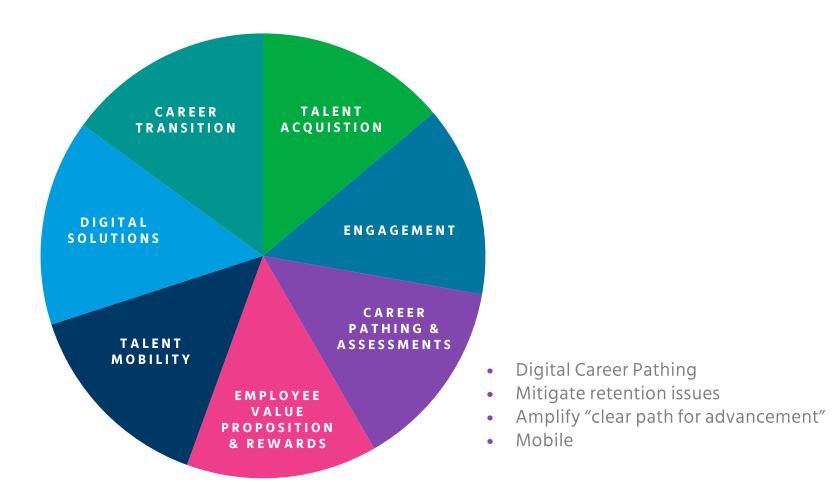






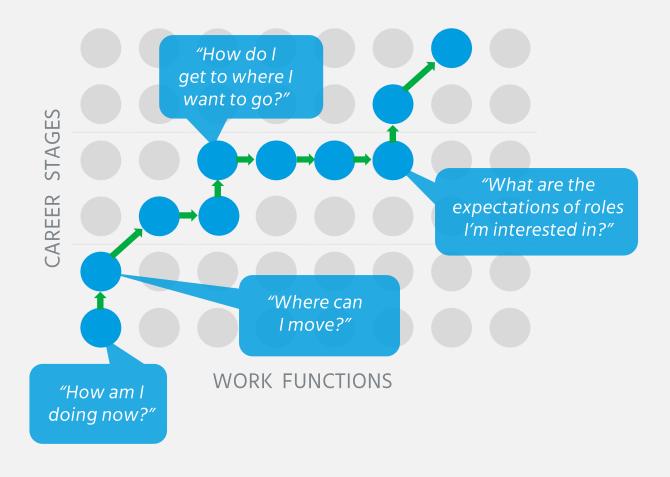


#### Mercer's POV on Consumer-Grade Employee Experience

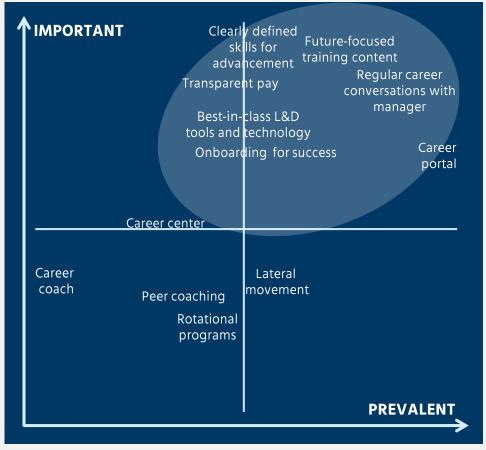




#### **Importance of Clear Career Paths**



### Career Support Most Sought by Employees in the US



#### The Digital Approach to Career Pathing









#### **Gamification**

**Recommends Jobs** 

**Enables Transparency** 

REPORTS

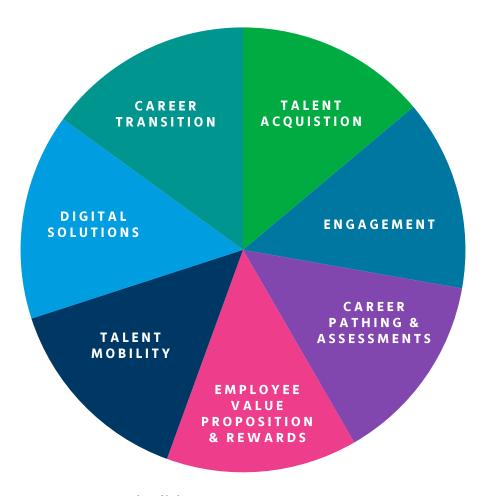
- Gamify the user journey
- Employees select skills and interests
- Jobs based on employees selections
- Job-skill matching algorithms

- Transparency of job hierarchy within the organization for employees and managers
- Hiring managers have visibility into employees' skills and aptitude

- Report for employees with top skills and competencies and roles they match to
- Reports for mangers to understand the career aspirations of their employees



#### Mercer's POV on Consumer-Grade Employee Experience



- Flexible & Transparent Data
- Technology for delivery and calculations

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- Personas



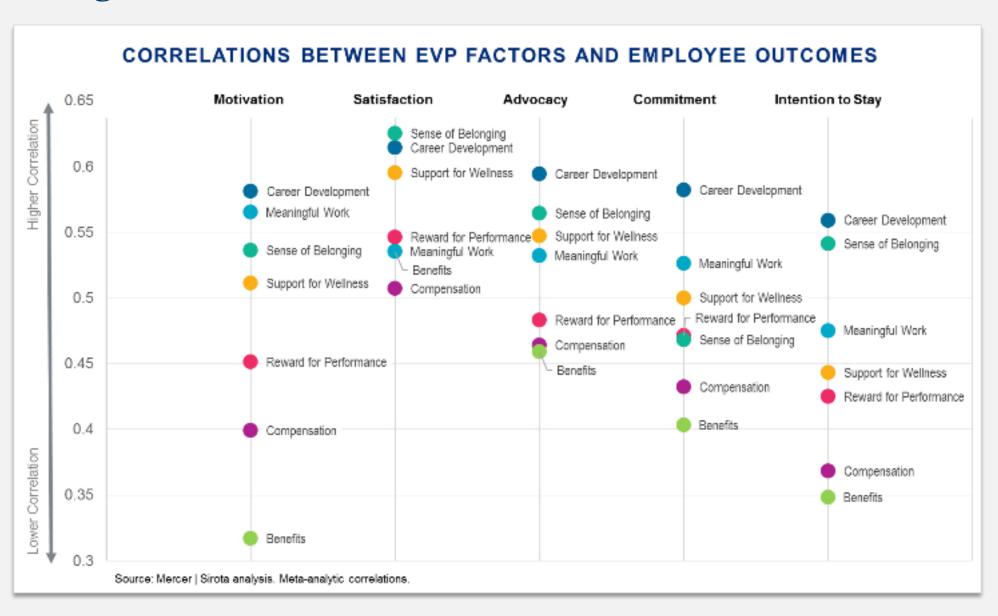
#### **Personalize Rewards**



8:00 AM - 01 Apr 2015 - via Twitter · Embed this Tweet

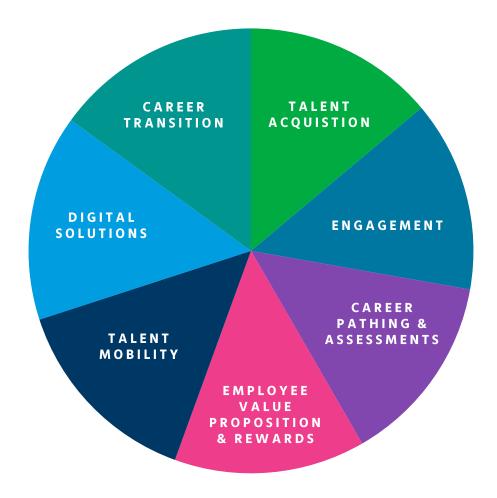
Reply Delete \* Favorite

#### **Measuring the Effectiveness of Your EVP**



#### Mercer's POV on Consumer-Grade Employee Experience

- Digital Career & Benefits Portal
- Enhance employee communication
- Mobile





#### **Digital Solutions**



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

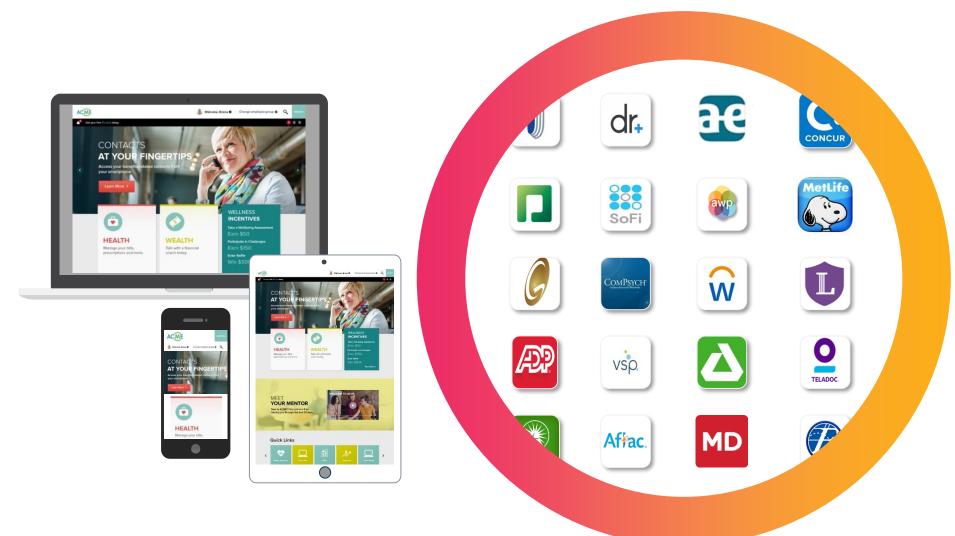
Mercer's 2018 Global Talent Trends Report



We all have a fundamental desire to belong; a place where we share similar values, live common experiences, and work toward common goals. Today, "Belonging" is largely gained through consumer-grade digital experiences defining the future of work.

Consumer-grade is the expectation that a product or service provides the same easy, intuitive and relevant experiences users encounter in the devices they buy and apps they use to help solve the everyday challenges in their lives, quickly and easily.

#### **Consumer-Grade Experience**





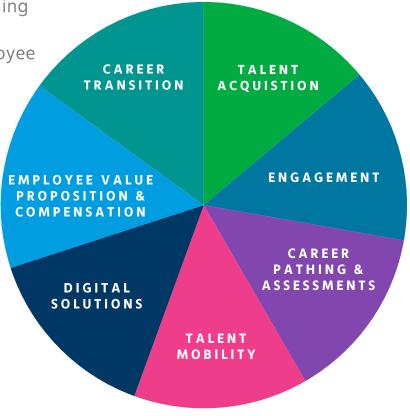
#### Mercer's POV on Consumer-Grade Employee Experience

• Digital Career Transition

• On-demand career coaching

• Social media integration

• Every transitioning employee



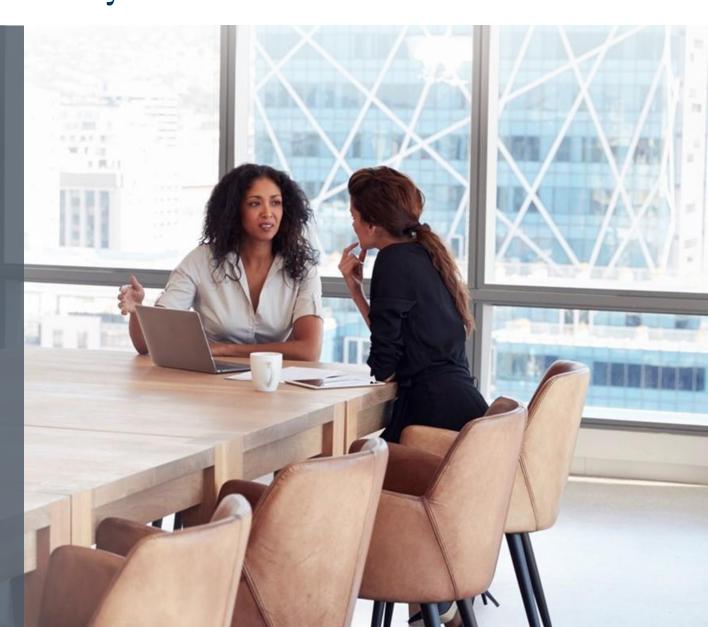


#### **Mercer's Workforce Transition Survey**

#### **FACTS:**

58% of employers are frustrated with the outplacement services offered by traditional "brick and mortar" providers, which are often viewed as outdated

Only 4% believe they are doing anything innovative when it comes to outplacement



#### **Innovating Transition**

## Top of mind with business leaders....

- 1 Eliminate the online noise
- 2 Comfort the friends left behind
- 3 Litigation mitigation
- Do what's right for everyone impacted

## Top of mind with job seekers....

- Reduce the time it takes to find my next job
- Help me position myself more effectively
- Provide me assistance and guidance along the way...
- ...at a time and place that make sense

## Top innovations to deliver results....

- Virtual career centers and coaching
- Services available online 24/7 and on any device
- Social networking integration
- Job board integration
- Contemporary curriculum and adult learning principles

## Total rewards should shine in moments that matter in an employees career and life journey



Moments that matter are emotionally charged moments in an employee's journey that have an outsized impact on outcomes



I feel supported to get through this change

TRANSITION
I have the resources I need

MANAGING MY DAY

I can balance my work and life needs

I'M A NEW PARENT

I've got the support and resources to navigate this change

I'M REWARDED

I feel that I've been treated fairly

**EXPLORING MY CAREER** 

I know my options



EARLY IMPRESSIONS
I got a compelling offer

## **Energizing the experience** requires a work model reboot?

Help managers create energy through crafting a powerful employee experience Start with experiences that can be designed quickly

Make health, wellbeing and flexibility a priority Boundary-less thinking

#### **HR** transformation

- Use design thinking to co-create the employee experience
- Use a Target Interaction Model to redesign HR







welcome to brighter