



## TALENT, LEADERSHIP AND LEARNING COMMUNITY EVENT: 29<sup>TH</sup> MARCH 2022

# MERCER'S GLOBAL TALENT TRENDS 2022

CRF's Talent, Learning and Leadership Community met on 29<sup>th</sup> March to hear **Kate Bravery**, Partner and Global Advisory Solutions and Insight Leader from **Mercer** share highlights from *Mercer's 2022 Global Talent Trends* report, which explores how organisations are taking advantage of the opportunity to redesign work, working and the workplace. The full report will be published on 12<sup>th</sup> April 2022.

This summary shares some of the key insights from the discussion.



### MERCER'S GLOBAL TALENT TRENDS

Kate presented an exclusive summary of Mercer's Global Talent Trends (UK and Europe) for organisations to stay ahead in 2022. Kate noted that even if we face a downturn, strategies for the future of work will remain high on the agenda for leaders. Kate shared five key themes that summarise the findings of Mercer's research.

- 1. Reset for relevance** – Build resilience by steering with standards and accelerating adaptive capacity.
- 2. Work in partnership** – Create equitable, transparent, and rewarding relationships.
- 3. Deliver on total wellbeing** – Nurture a healthy workforce with a focus on benefits that matter
- 4. Build for employability** – Meet future work needs with a skills-based organisation.
- 5. Harness collective energy** – Evolve human-centred work environments.



### KEY CURRENT WORKFORCE CHALLENGES

The research highlights the workforce challenges that are weighing heavy on executives' minds this year. Executives see their organisation impacted by the following factors:

- 88% Digital exhaustion** – experienced by knowledge workers.
- 87% Absenteeism** – because of health-related issues.
- 89% Loss of talent** – people not coming back after they've been furloughed or because of concerns around Covid.

### PARTICIPANT POLL

Kate asked members to select the trend that is most critical for them to make progress on this year. The poll results displayed the following:

Build for employability

39%

Harness collective energy

17%

Reset for relevance

13%

Work in partnership

15%



### STRATEGIES FOR A POTENTIAL ECONOMIC DOWNTURN

A potential risk for organisations is economic downturn exacerbated by the current conflict in Ukraine. As part of the research, executives were asked, if you do face another economic downturn next year, what will be your strategy of investment/retreat?

- Strategic partnerships are at the top of the priority list.
- Through this period, executives recognise that there is strength in partnerships, when they can share with other organisations, and tap into the supply chain.
- Executives are unlikely to reduce investments in health and wellbeing or pull back on learning and development.
- They plan to continue increasing investment in AI, automation, and reskilling.



## TALENT, LEADERSHIP AND LEARNING COMMUNITY EVENT: 29<sup>TH</sup> MARCH 2022

# MERCER'S GLOBAL TALENT TRENDS 2022



### HOW IS EMPLOYEE SENTIMENT CHANGING?

In spite of the challenges, *Mercer's Global Talent Trends 2022* research finds a collective sense of optimism among employees about the future of work. The research surveyed 10,910 employees, HR professionals, and executives from 13 industries and 16 geographies, on a number of topics related to their business context, their views on the future of work and talent and working practices post-pandemic. It shows that, while there has been an increase in the proportion of employees since 2021 who consider themselves "thriving", there is a myriad of different experiences across genders, generations, and geographies. The following snapshots of the report were outlined:

- Trust in companies to do the right thing for society is at an all-time high – it was at 66% in 2020 and is up to 82% in 2022.
- People's sense of thriving in their health, wealth and careers is up compared to the prior years. The last two years have brought us closer together as we solve some challenges together in ways we haven't done in the past.
- There is a difference within industries: chemicals, financial services and life sciences are feeling that sense of thriving, whereas automotive companies, healthcare, retail, and professional services aren't as much.
- People are still at risk of burnout – it's gone up from 67% of people feeling they're at risk of burnout before the pandemic, to 81% this year.
- The UK has the lowest employee energy levels.
- The report data shows that women are worried about being exhausted by the emotional strain and working much longer hours than men.
- Men are worried about losing their network and not having face time with their boss. They cite that as causing their burnout.
- There is a difference between knowledge workers and frontline worker sentiments. Knowledge workers are reporting extremely high levels of burn out. Essential frontline workers are concerned about growing inequity between themselves and workers who can benefit from virtual and hybrid working.
- It's time for employers and employees to co-create the future of work. This has a huge impact on engagement levels and feelings of belonging and having a stake in the company's future.
- The report shows the highest ever number of HR functions considering how to move away from more traditional operating models, into ones that are more agile and human centric.



### KEY MESSAGES

#### 1. EMPLOYEE VOICE BECOMING FRONT-AND-CENTRE

Kate suggested that the most effective employers are "coming off mute" in terms of how they monitor and respond to employee sentiment and engage with employees. This is particularly relevant in the current Ukraine crisis, where organisations that were bold early on about standing with Ukraine had positive feedback from employees. On the other hand, companies such as Disney are facing a backlash for being out of step with what their people feel with regard to human rights. It's important both that organisations are clear about their values, and in particular what they care about from a diversity, equity and inclusion perspective, but also that those values are brought into action throughout the organisation.

#### 2. WHAT HELPS EMPLOYEES THRIVE IN THEIR JOBS?

The report shows that what helps employees thrive around the world varies by country but is dominated by doing real work and feeling recognised. The following factors scored most highly in Europe:

- Feeling valued for my contributions.
- Feeling I am doing fulfilling work.
- Having fun at work.
- Feeling a sense of belonging.
- Having a manager whom I trust/who advocates for me.

#### 3. HYBRID AND REMOTE WORKING BECOMING TABLE STAKES IN THE WAR FOR TALENT

In the context of the "Great Resignation", Kate highlighted the following research findings relevant to HRDs rethinking ways of working, EVP, reward, and flexible working policies this year.

- A key message is that a power shift is evident: regardless of flexible working policies or pay, people want to feel they are working with, and not for you. What has changed is not so much *what* people want from work, but *how* they want to work.
- Employees perceive they are more productive when they have the opportunity to work flexibly or from home. However, whether this perception is borne out in the productivity statistics is debatable. Kate argued that the more important debate is to focus on being able to attract and retain the talent you aspire to have, and how to get the best out of people.



## **TALENT, LEADERSHIP AND LEARNING COMMUNITY EVENT: 29<sup>TH</sup> MARCH 2022**

# **MERCER'S GLOBAL TALENT TRENDS 2022**

- The fact that over 6 in 10 employees will only join an employer if they can work remotely or hybrid suggests this is a trend that is not going away.
- Job specifications that include remote working are seven times more likely to get clicked.

#### **4. HYBRID WORKING RISKS UNRAVELLING GAINS ON DIVERSITY, EQUITY AND INCLUSION**

When looking at hybrid working, ensuring fairness of approach has been a key challenge for many organisations. What are companies doing to address this?

- It is important to look at the unique needs of different groups. If you let individuals' preferences determine your practices, there will potentially be more older male workers in the workplace with younger female and diverse groups more highly concentrated at home. This is a concern, because presenteeism impacts pay and career equity. Executives and HR need to recognise the risks and mitigate them by providing more practical support.
- Work with the target populations (not personas) to understand their needs and expectations and to define the strategy, options, and communication plan. You cannot empathise by seeing the world only through your own eyes.
- Consider how to deliver flexibility for non-knowledge workers and to find practical ways of tackling inequity between different worker groups.

#### **5. WHAT ARE THE IMPLICATIONS FOR MANAGERS?**

During the session, Kate explained that leadership roles have become more complex during this period of turbulence. She explored what this means for manager selection, development, and support.

- Some managers feel that being a leader is now a liability rather than a joy because the role is too complex and administrative. In some cases, managerial responsibilities are being handed back to HR so managers can do more of the jobs that they were intended to do.
- Manager selection is changing. It's important to assess for ability to handle complexity, (conceptual or inductive reasoning) and assess for empathy and EQ.
- Manager development is also changing, with greater focus on digital skills development, cultural sensitivity and/or global mind-set, market sensing, and leading with values. Managers need access to timely and relevant content that's delivered ahead of need. They also need safe spaces where they can vent and discuss their challenges with peers.
- Middle managers in particular are feeling the squeeze as they grapple with managing across temporal, digital, and geographic boundaries.

#### **6. OVERCOMING THE BARRIERS TO RESKILLING**

Kate shared practical examples of what the most forward-thinking companies are doing to address barriers to reskilling. She also explored the ways we should be thinking about maintaining employability through upskilling.

- Executives cited investing in workforce upskilling and reskilling as key priorities for this year.
- The research highlighted strategic workforce planning with a "skills lens" being a real focus for companies. Organisations want to find ways of identifying skills adjacencies so people can explore alternative jobs that allow them to build on current skills.
- It's important to have both a handle on the skills you have today and a map of where you want to go. Share the roadmap with employees, so they understand and can develop plans to build skills that will be of value in the future.
- Choose some specific use cases you want to solve for, to avoid your reskilling investments being spread too thin. Consider potential early adopters and run experiments to determine where in the business there's energy for trying new things.
- Shifting to skills-focused recruitment and development can support the DEI strategy by negating certain biases.



## TALENT, LEADERSHIP AND LEARNING COMMUNITY EVENT: 29<sup>TH</sup> MARCH 2022

# MERCER'S GLOBAL TALENT TRENDS 2022

### SPEAKER



**KATE BRAVERY** is a Partner and the Global Advisory Solutions and Insight Leader for Mercer's business. She has more than 20 years' experience in human capital consulting and helping organisations achieve a talent advantage through people. Kate has expertise in people strategy, talent management, assessment / leadership development and HR process design. She has held office and market leadership positions in multiple countries. Prior to her current role, she was the growth market regional practice leader for the talent strategy business. Kate is a chartered organisational psychologist. She has a Master's Degree in Occupational Psychology from City University of London, and a Master's Degree in Business Administration from Macquarie Graduate School of Management in Australia.

### FURTHER READING

CRF. 2021. **Building a Future-Fit Workforce — Reskilling and Rethinking Work**. Research Report. <https://www.crforum.co.uk/research-and-resources/research-report-building-a-future-fit-workforce-reskilling-and-rethinking-work>

Mercer. 2022. **Mercer Global Talent Trends 2022**. Global Talent Trends Study. Pre-register: <https://www.mercer.com/our-thinking/career/global-talent-hr-trends.html>

### crf SAVE THE DATE



Register now for our next TLL Community event:

**Thursday 16 June, 12.00pm**

Also please get in *touch* with any topics that you would like to discuss and feature at the next or an upcoming session.

### crflearning ON DEMAND



Register for CRF Learning's On Demand **Integrated Talent Management: The Essentials**. This online course will help you to build a framework for business-focused talent thinking, update your knowledge of the latest talent trends and improve your capacity to engage business leadership in the talent agenda.