REFLECT.
REIMAGINE.
RESULTS.

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On 24th September 2025, CRF and Mercer co-hosted senior HR leaders for a half-day event, **Reflect. Reimagine. Results.** At the event, delegates *reflected* on current practices, *reimagined* innovative strategies and unlocked impactful *results*.

The below notes summarise the key themes, discussion points and takeaways from the event.

KATE BRAVERY
Senior Partner, Global Leader of Talent Advisory, Mercer
in LINKEDIN

MARK MCGOWAN
UK Workforce Reward Lead, Mercer
in LINKEDIN

WILL BROWN
Group Head of HR, Standard Chartered Bank
in LINKEDIN

SARAH MCLELLAN
Expert in Talent and Leadership Assessment, Mercer
in LINKEDIN

JIM CHRISTOPHER
Leader of the Communications Consulting Practice, Mercer
in LINKEDIN

JENNY MERRY
Expert on Employee Experience, Mercer
in LINKEDIN

BENOIT HUDON
President & CEO UK, Mercer
in LINKEDIN

JONATHAN CROOKALL
Chief People Officer, Costa Coffee
in LINKEDIN

GILLIAN PILLANS
Research Director, CRF
in LINKEDIN

CLAIRE AINSCOUGH
Chief People Officer, Ocado Group
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FRANCESCA FELIZIANI
Expert in Talent Management and Assessment, Mercer
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Expert in Digital HR & AI, Mercer
in LINKEDIN

IAN ARCHBOLD
Global Head of Reward, Haleon
in LINKEDIN

KERRY GHIZE
Partner, UK People Advisory Leader, Mercer
in LINKEDIN

LLOYD TAYLOR
VP Group Reward, Sage
in LINKEDIN

DONNA BIGGS
HR Director, Mercer
in LINKEDIN

MIKE HAY
Chief People Officer, Benenden Health
in LINKEDIN

RUPERT WATSON
Global Head of Economics, Mercer
in LINKEDIN

**REBECCA JORDAN**
Expert in Work Design, Mercer
in LINKEDIN

KEY TAKEAWAYS

Kerry Ghize, *UK People Advisory Leader,* **Mercer,** shared the following key takeaways:

1. **Resilient macro backdrop.** Despite tariff headwinds, growth has held up – helped by strong balance sheets, healthy labour markets and a surge in AI investment.

2. **Reskill for the future.** Technology (especially AI) changes what and how work is done; leaders and HR must reshape services and build human readiness. Mindsets and culture matter as much as systems and data.

3. **Planning cycles are shortening.** Leadership used to have a clearer destination; now we can plan with certainty only around 5 quarters ahead.

4. **Leadership must evolve.** Winning leaders navigate paradoxes (stability/innovation, performance/ wellbeing etc.), operate comfortably in ambiguity and think and act with a truly global lens.

5. **HR as business leadership.** The role's context is shifting – HR needs to be evidence-based, data-literate and central to digital transformation while responding to social trust dynamics.

6. **Redesign work, don't just automate.** Start with outcomes, then choose the right human–machine mix. This is not 'one size fits all' and does not mean 'deploy AI everywhere'.

7. **Treat rewards as an investment.** As the talent market evolves, reward strategies must meet both commercial and cultural needs. Adopt an investment mindset, act with intention and prioritise based on business risk.

8. **Build trust through listening.** Listen and act on feedback. Use the trust-communication balance: high trust reduces the need for communication; low trust requires more (and better) communication. Apply this to optimise engagement and productivity.

The below word cloud presents attendees most common key takeaways from the day.
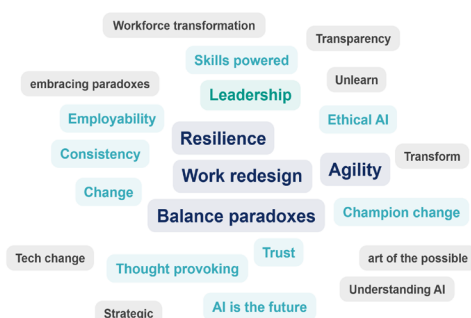
KEYNOTE

Mercer's **Kate Bravery,** *Senior Partner, Global Leader of Talent Advisory,* and **Rupert Watson,** *Global Head of Economics,* provided an overview of global people and financial investment trends that are shaping the future of work.

Outlook for the Global Economy
RUPERT WATSON

› **Global resilience despite tariff headwinds.** After decades of decline, tariffs are back – pushing uncertainty and, typically, more inward-looking economies. Even so, growth has held up better than expected this year, supported by solid household and corporate balance sheets, healthy labour markets (only a slight UK unemployment rise), rising equities and the prospect of rate cuts in several economies.

› **AI as a powerful (if uneven) tailwind.** Heavy AI-related investment – especially in the US – could deliver substantial productivity gains over time. Disruption is already visible in pockets (e.g. call centres), though the breadth and timing of productivity effects in official data remain uncertain.

› **Popular sentiment about the UK economy is likely too gloomy.** H1 growth was the fastest in the G7, the UK leads in clean energy and near-term fiscal risks appear manageable (notwithstanding flat GDP per capita in recent years).

Mid-Year Check In: Embracing the People Age
KATE BRAVERY

● CONTEXT

› Leaders face complex, compounding pressures and must work in new ways as work crosses cultural, generational and digital boundaries.

› AI advances (e.g. gene therapy, digital health) and more personalised, digital work let us rethink where HR can be digital-first and where the human touch is still needed.

› Organisations are beginning to plan for an agentic workforce, including how to onboard, measure, feedback and govern responsibly.

01 KEYNOTE

Mercer recently ran a pulse check, surveying CEOs and CHROs and speaking with employees and clients. This highlighted:

- The EU AI Act sets a clear compliance timeline.
- AI has exposed data weaknesses; those progressing fastest have strong job architecture and skills taxonomies.
- Delivering AI-driven work re-design whilst also maintaining a consumer-grade employee experience requires a systematic – not siloed – approach.
- With executives asking daily for the ROI on AI investments, we must get change leadership right across our organisations.

Amidst the change, organisations need to shift the narrative from job losses to work redesign. Media focus on job cuts fuels anxiety, with one in two workers worried about their near-term relevance. Organisations need to have better conversations about work redesign, which is a current gap for HR.

IMPERATIVES FOR HR

Redesign roles and taxonomies. Map cost to automation risk and create pathways for talent to move into new roles.

Strengthen brand and reputation. Double down on brand and reputation. Employees ask *"how does the company treat people like me?"*, rather than *"what does the company do?"* Check your reputation and whether the internal EVP matches the external experience.

Handle cuts responsibly, if unavoidable. Prioritise redeployment, wellbeing and skills building. Whilst leaders may be asked to cut and optimise, they will be remembered for how they redeployed people into future jobs and built sustainable careers.

Set clear guardrails for AI. Be explicit about where AI can be used in recruitment, promotion, and deployment.

KEYNOTE PANEL DISCUSSION

A panel of leading CHROs, including **Will Brown,** *Group Head of HR,* **Standard Chartered, Mike Hay,** *CPO,* **Benenden Health,** and **Claire Ainscough,** *CPO,* **Ocado Group,** discussed how they're addressing the above highlighted themes and turning them into real results within their organisations.

Q How are you thinking about current economic and talent trends?

A • *As the external context shifts, our products are becoming more tailored, complex and in demand, requiring internal processes to evolve.*

• *Leadership used to have a clearer destination; now we can plan with certainty only around 5 quarters ahead. Resilience and energy in leaders matter more than ever. The link between psychological safety and strong performance management is also critical.*

Q What does great leadership look like in this changing context?

A • *Sharpening performance management and its link to reward; building a stronger digital mindset.*

• *Rethinking productivity and workflow across tiers.*

• *Considering future team structures and the leadership skills needed.*

Q How is your organisation leveraging AI?

A • *AI (e.g. robotics) and humans working together is central – along with the upskilling this requires. Trust is critical: how we use AI and data must build confidence with colleagues and candidates.*

• *As an AI-focused organisation, we see both disruption and opportunity in our marketplace model (e.g. home devices changing shopping/holiday experiences).*

• *We are exploring AI-led knowledge transfer in complex warehouses (moving from static training to dynamic learning).*

Q AI promises a move up the value chain – but only if skills keep pace. Where are you on skills?

A *From HR's perspective, success comes from practical use cases embedded in the flow of work. We invested early in building a strong learning culture to support the skills shift.*

REIMAGINING WORK TO DRIVE PRODUCTIVITY IN THE AGE OF AI

SLIDES

Rebecca Jordan, *Expert in Work Design,* **Mercer,** and
Edyta Prazuch, *Expert in Digital HR and AI,* **Mercer**

AI is already transforming work and productivity. A study by Harvard Business School compared top performers with mid-performers who were empowered with AI. The result: mid-performers outpaced top performers on volume, speed and quality.

Most workforces are 'middle-heavy', which, when activated, unlocks major capacity and capability. However, doing more with the same workforce requires new skills and rethinking the work itself. Organisations need to design for agility and optimise for productivity if they hope to maintain healthy growth.

Building Agility Through New Work Models

The Fixed–Flex–Flow lens can be used to reframe work:

FIXED
Traditional roles with clear accountabilities and specific skills (e.g. Financial Controller).

FLEX
Roles that pivot to where demand is highest, bringing transferable expertise (e.g. data scientists, HRBPs).

FLOW
Agile, networked work delivered through gigs/projects (e.g. software developers, campaign marketers).

The goal is not to eliminate fixed roles or replace everything with AI – it's to calibrate and orchestrate the right roles into the right model. AI can power this through talent marketplaces matching skills to gigs/projects and career pathing based on desired skills, experiences and target roles.

The model requires a fundamental shift in how we think about roles, meaning a workforce that accepts ambiguity and leaders with the risk appetite to invest in tech, tooling and learning.

QUESTIONS FOR LEADERS

What outcomes are we trying to deliver (not 'what process do we have?') Reimagine the route to the end goal rather than automating today's experience.

What would productivity look like? What's the human–machine split, and how will we measure the new value?

Where will the skills come from? If you can't hire them, how will you build them?

How will we bring our workforce with us – avoiding burnout and obsolescence – so change happens with them, not to them?

Getting Started with Work Design

The key shift is reframing productivity from managing resources to empowering people – equipping them with the skills they need and setting them up for success. This is more than an operational change; it's a cultural transformation leaders must own:

Start with the work: understand what you must deliver and why.

Decide the human–machine mix: what should be automated or augmented?

Design fulfilling experiences: gig, project or traditional role – choose the right context to find and deploy the right people.

Enable a marketplace so talent flows to work: this boosts engagement, productivity and satisfaction.

Mercer's Work Design Methodology

Mercer's Work Design tool, built on a job library of around 26,000 global roles, deconstructs jobs into tasks (the language of work) and skills (the language of people). Then, it assesses redeployment and augmentation options and estimates released capacity per job.

The goal isn't redundancies, but 'more with the same workforce' – e.g. entering new markets or launching new products through creating space for innovation and learning. Jobs will keep changing; think continuous cycles, not a static job architecture that lasts 15 years. The question is: how quickly can we understand new forces' impact on roles and people?

Remember that HR can't do this alone – we don't know every job well enough to judge the impact of transformation or what front-line leaders need. HR's role is to question, probe, make views explicit and coach teams to solutions that drive sustainable growth, rather than simply 'deliver' a plan.

02 REIMAGINING WORK TO DRIVE PRODUCTIVITY IN THE AGE OF AI

KEY TAKEAWAYS

Think about outcomes, not processes.

Rethinking work doesn't mean automating existing process – this only leads to automating inefficiency. Focus on the outcomes you want to drive and find optimal human-machine pairing that delivers value.

AI everywhere doesn't mean *'one size fits all'*.

The level of human-machine teaming depends on the work and experiences you want to deliver. Some roles will be more impacted by automation than others.

Design Inclusive AI Experiences.

Redesigning work provides the opportunity to redesign for people with different life situations and career aspirations. That's where flex and flow roles help – gig work, part-time, job sharing – opening doors to a more diverse talent pool.

Future-proof your workforce with skills and resilience.

Some are adjacent and quick to build; others take years. If you can't hire them fast enough, you need foresight and investment now to build skills you'll need in three to five years. That's a mindset shift from 12-month cycles. Executive commitment – and our ability to translate business strategy into a skills roadmap – will drive alignment and support.

03 MINDSET TO LEAD?

EXPLORING THE NEW RECIPE FOR IDENTIFYING AND DEVELOPING LEADERS TODAY

Francesca Feliziani, *Expert in Talent Management and Assessment,* **Mercer** and **Sarah McLellan,** *Expert in Talent and Leadership Assessment,* **Mercer**
With **Donna Biggs,** *HR Director,* **Mercer**

KEY TAKEAWAYS

- **Leadership must evolve with the world** – in times of constant disruption, traditional playbooks no longer work.

- **What matters today** – leaders who can navigate ambiguity and manage paradoxes: stability *and* innovation, performance *and* wellbeing, complexity *and* integrity.

- **A truly global mindset** – leaders must anticipate and respond to unexpected events across borders, understanding local differences while acting in a connected global environment.

Globalisation, digitalisation and shifting landscapes have transformed the context of leadership. Today's leaders must contend with increasing workloads, multiple time zones, boundaryless working and teams, multi-generational workforces and agentic teams.

Two elements set the scene for what leadership now requires – interconnection and complexity.
This can be seen in the following areas:

1. The flow of people and business around the globe. Global trade is increasing by trillions of dollars each year.

2. Work and lives are far more dispersed and digitised: we can work with anyone, anywhere, and even have our own AI agents.

3. The rules by which we do business are evolving constantly – for example, political changes and new tariff regimes.

Given the hundreds of years society has emphasised developing command-and-control leadership styles, leaders must also be willing to step into discomfort.

03 MINDSET TO LEAD? EXPLORING THE NEW RECIPE FOR IDENTIFYING AND DEVELOPING LEADERS TODAY

SLIDES

What Does This Mean for Leaders?

Heightened interconnectivity and connection is shaping a new leadership reality. Leaders must balance the following tensions and paradoxes:

- Balancing profit and purpose across a multigenerational workforce with different requirements.
- Responding to continual societal crises whilst maintaining productivity.
- Navigating cultural tensions in global teams.
- Steering through heightened risk (e.g. cyber attacks) and regulatory complexity.

Time for a New Recipe

Whilst leadership used to be about 'calling the shots' through power and hierarchy, we now need leaders who build trust and create the conditions for others to solve problems.

Mercer highlights four elements that differentiate leaders in today's interconnected world:

- **Able to balance leadership paradoxes.**

- **Motivated and equipped for success in a complex and ambiguous world.**
  E.g. high energy, strong resilience, curiosity and a sustained appetite for learning.

- **Broad in their business thinking.**
  E.g. drawing on diverse mental models to navigate new circumstances.

- **Aware of cultural nuances and leadership impact.**
  E.g. meeting the organisation where it is.

What Does This Mean in Reality?

Mercer's research identifies five leadership paradoxes leaders must navigate in a complex world, with those who balance them twice as likely to enable innovation.

BALANCING PROFIT AND PURPOSE

Directive	1	Empowering
Individualistic	2	Synergetic
Task	3	People
Stability	4	Adaptability
Strategy	5	Execution

The 5 Leadership Paradoxes

There are three key transitions organisations need to make in identifying and developing global leaders:

1. From traits to managing paradoxes – being able to balance both sides.

2. From one consistent style to cultural fluency – recognising different needs across global populations.

3. From past experiences to breadth of thinking – new rules, new landscapes, changing conditions mean this is more important than what has been delivered in the past.

For more insights and expert support on shaping a new mindset to lead read Mercer's leadership paradoxes paper and explore Mercer's assessment solutions.

04 GROWING THROUGH UNCERTAINTY: EVOLVING PERFORMANCE & REWARDS

SLIDES

Sage's **Lloyd Taylor,** *VP Group Reward* and **Haleon's Ian Archbold,** Global Head of Reward, alongside **Mercer's Mark McGowan,** *UK Workforce Reward Lead* shared two case studies on reward and performance.

KEY TAKEAWAYS

Competing in an interconnected world
– the talent market has evolved, to succeed reward strategies must address both commercial and cultural needs.

Adopting an investment mindset
– solutions must be intentional, prioritising investments based on an assessment of business risk.

Clarity, confidence and consistency
– the reward function must broaden its lens, considering the full reward experience, with pay transparency presenting an opportunity for better and simpler reward decision-making.

Be fit for the future
– ensuring rewards remain relevant to your strategy, culture and talent is key to driving impact, engagement and returns.

Lead with purpose
– a clear sense of direction is critical to progress, enabling integrated change at pace.

Simplify
– manage complexity to aid employee understanding and remove barriers to change.

CASE STUDY: A Haleon Perspective

CONTEXT

- Haleon separated from GSK in mid-2022, becoming the first pure-play consumer healthcare business carved out of GSK.
- Previously a GSK division, Haleon had to build its own corporate functions (including Reward) from scratch; legacy programmes were pharma-oriented.
- Day-one (first 6-12 months) priorities: stand up a FTSE-30 business (board, CEO/CFO, governance), drive employee ownership and shift from a long-term, risk-averse pharma mindset to a consumer mindset.

KEY CHALLENGES ADDRESSED

- **Getting ready for day one:** All GSK policies/benefits/bonus designs carried over (no pre-separation changes allowed) while core infrastructure, people and processes were built. Included technical reward work on executive remuneration.
- **Governance sprint:** With no board until mid-May 2022, a prospectus still had to be issued – finalising CEO/CFO pay and contracts in April and cascading decisions to the ExCo to enable listing.

- **Create ownership:** Share design was technical but central. All employees present at separation received 100 Haleon shares. GSK LTIs vested on exit and were replaced with Haleon 'refill' awards (the largest share exercise to date), supported by clear communications and a RemCo-approved conversion formula amid some scepticism.
- **Shift to performance:** Under GSK, everyone received the same bonus and the payout curve was too flat to motivate. Haleon redesigned bonuses and payout curves for greater upside/downside: perform well, earn more; underperform, earn less. Bonuses are discretionary, not guaranteed.
- **Benefits and mobility:** Overhauled progressive benefits and mobility policies.

ENABLERS OF SUCCESS

- **Clear direction from day one.** This provided the foundation for setting a new culture of performance and reward.
- **Top-level sponsorship,** with clear backing from the CEO and CFO.
- **A high-calibre team.** Strong hiring made execution possible.
- **Individual performance** was a big cultural shift. Ran education sessions and communications with line managers, outlining what was changing, why and the opportunity to differentiate.

GROWING THROUGH UNCERTAINTY: EVOLVING PERFORMANCE & REWARDS

04 | SLIDES

CASE STUDY: A Sage Perspective

CONTEXT

- UK-headquartered organisation with 11,000+ colleagues worldwide, facing fierce competition for digital and AI talent – especially in the US, where pay premiums are hard to match.
- Public ambition: double-digit revenue growth with steadily expanding margins.
- Reward strategy must balance commercial imperatives with cultural expectations – supporting both top-line growth and bottom-line discipline.

SAGE REWARD'S JOURNEY TO DATE

No organisation can do everything, so focus is on the highest return areas. Sage has taken a deliberate, phased approach to evolve its reward model, prioritising investment and ensuring designs are sustainable within constraints. Reward is treated as an investment in people, not a cost. Key steps included:

1. **Benchmarking – understanding the constraints**
   - How much will talent cost? How much can we afford? How should reward be structured to be attractive? What works? What doesn't?
   - Analyse competitors and build benchmarks accordingly.

2. **Strategy design – deciding where to place bets**
   - Given the benchmarks and a set budget, where do we take risks? Where are we losing people and why?
   - Build a strategy on simple commercial principles:
     - Simple: if it isn't simple, it won't attract, retain or motivate talent. If you can't do it, choose something simpler.
     - Market-competitive yet affordable.
     - Aligned to strategy, purpose and culture

3. **Implement**
   - Made their approach to bonuses as simple as possible.
   - Shifted from a traditional model of performance shares for top leaders to a more balanced mix of performance and restricted shares.

LOOKING AHEAD: GAPS AND OPPORTUNITIES

Sage's next phase is to look beyond pay levels and make pay more strategic:

1. **Governance and disclosure:** Use pay transparency to sharpen the rationale behind differentiation.

2. **Workforce and talent management.** Skills-based pay can be used to implement gender-neutral criteria around skills acquisition and proficiency.

3. **Decision capability:** Improve pay decisions by upskilling managers to differentiate effectively and apply clear, simple decision rules.

LESSONS LEARNED

- Enablers of success included willingness of the CEO to consider different levers of success, clear alignment between strategy and reward, willingness to challenge legacy models and strong partnership between Reward, Finance and the business.

- Don't over-engineer; simplicity and clarity matter. Be willing to say no to certain asks.

- Phasing and transparency – be clear about what you're trying to do to help manage change.

- Equity is a powerful, flexible tool for engagement when used well, but you need to understand what equity is, the value of equity and the volume required for it to be effective.

THE CHANGING ROLE OF THE HR LEADER

05 · SLIDES

Gillian Pillans, *Research Director,* **CRF** and **Jonathan Crookall,** *Chief People Officer,* **Costa Coffee**

Gillian Pillans shared key themes from CRF's research on the changing role of the HR leader. The role is not changing as much as the context; HR's task is to understand this growing complexity and prepare the organisation for it:

> **Be business leaders first.**
> HR exists to help deliver business goals (protect revenue, reduce costs, drive change). Business acumen and strategic contribution are the most valuable HR skills, yet are also amongst the shortest in supply.

> **Operate at the top of the pyramid in terms of contribution to business and people strategy.**
> Lead people choices and also shape higher-order decisions about what the organisation does and how it operates.

> **Be at the centre of preparing the organisation for digital transformation** (beyond digitising HR services):
> - Understand how AI and automation will reshape work and build job-design capability.
> - Use change and communications expertise and help set policies for ethical, safe tech use.
> - Harness AI to support data-driven decision making (e.g. by embedding talent-market insights into everyday business choices).

> **Prepare the workforce through strategic workforce planning**, identifying short- and medium-term goals and actions to address gaps and surpluses.

> **Rebuild Employee Relations (ER) capability**
> – ER is back on the HR agenda. Many organisations are facing more collective unrest and rising union membership, yet for many HR teams this is a new skills area.

> **Respond to the changing social context.**
> Whilst organisations are increasingly personalising their offerings, Edelman Trust data shows an unprecedented global decline in trust in employers 'to do the right thing'. This dissatisfaction is visible both collectively (more industrial unrest) and individually (more workplace interpersonal conflict).

> **The DEI agenda is more complex**, requiring commercial, regulatory, ethical and political judgment. HR should partner with the CEO and executive team to align business and social goals.

Evidence-Based HR as a Critical Lens

Evidence-based HR is a framework which can help HR leaders to review the purpose and activities of the HR function – and make a better contribution to business outcomes. It does this by answering two questions:

- What are the most important, HR-relevant problems or opportunities facing the organisation?
- Which solutions or interventions are most likely to work?

For more information, refer to CRF's Evidence-Based HR **framework** and **resources**.

Next Steps

Organisations need to be more intentional and deliberate about how they develop future HR leaders.

For example:

- Bring a wider range of skills into the function to increase diversity of experience and thinking (e.g. economists, technologists, mathematicians, historians – not only HR grads).
- Create opportunities for HR leaders to get exposure to their board and CEO and build credibility with them.

> **For HR leaders:**
> - Deepen your understanding of strategy, competitors and trends.
> - Upskill in areas like org design, employee relations and job design.
> - Look beyond usual sources for information.

> **For organisations:**
> - Review horizon scanning and experimentation capabilities.
> - Put long-term topics on leadership agendas.
> - Update leadership programmes to focus on future sensing and preparedness.

> **HR functions:**
> - Review HR succession and talent pipelines,
> - Identify and have a plan to close skills gaps.
> - Raise HR's credibility as business leaders.

RESOURCES

CRF. 2025. Changing Role of the HR Leader

CRF. 2025. Creating an Inclusive Culture

CRF. 2025. The New Deal at Work: How Are Employee Expectations and the Psychological Contract Changing?

Mercer

CRF ER / IR Learning Network

Strong relationships with Trade Unions, Employee Representatives, and a positive employment environment are crucial for organisational performance. HR must proactively shape effective ER / IR strategies within today's legislative framework. This network supports senior ER / IR practitioners in unionised and non-unionised settings to enhance expertise and share experiences. Annually, four themes are discussed via research and sessions led by experienced practitioners.

1. **Networking Dinner** MAR. 2026
2. **Webinar** JUNE 2026
3. **Research and Dinner** OCT. 2026
4. **Christmas Keynote** DEC. 2026

05 THE CHANGING ROLE OF THE HR LEADER

Q&A with **Jonathan Crookall**

Q In large, complex organisations, senior hires often come from outside. How can today's CHRO give people the chance to grow and develop?

A *First, deliberately create step-up opportunities. When you're on leave, nominate one or two people to act in your place. Set clear expectations with the C-suite and actively sponsor your stand-in: tell stakeholders who's covering, that you trust them and that this is a stretch assignment.*

Second, apply succession discipline to yourself. CHROs ask the CFO/COO/CTO about their pipelines – do the same for your role. Who is your successor? How will the job evolve in five years? Engineer learning experiences now so successors build the capabilities they'll need. Make this a regular practice, not a one-off.

Q How do you bring data and finance together and ensure we have the skills to drive ROI from data?

A *Start with regular, structured dialogue. Invite finance and data partners into HR meetings (and join theirs) so each side sees priorities and constraints. Use these touchpoints to connect the dots and keep ROI at the centre.*

Q HR is spending more time with the board/executive team. Is that new, and what's driving it?

A *Yes – this has accelerated over the last 5-10 years. Be the exec who also happens to run HR. Invest time to learn the business, interpret the data and apply commercial acumen. Be intentional about building business knowledge.*

Q Recent media criticism (e.g. the DEI backlash) suggests some HR initiatives waste time. Does this make evidence-based HR more vital?

A *Absolutely. Anchor everything to business drivers. In retail, the line from people quality to store revenue is clear – HR must show commercial contribution, not just process.*

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06 UNCOVERING PATHS TO TRUST AND TRANSPARENCY

Jim Christopher, *Leader of the Communications Consulting Practice,* **Mercer** and **Jenny Merry,** *Expert on Employee Experience,* **Mercer**

Research shows that the presence of trust in the workplace leads to 2.1 times more focus, 76% higher engagement and 40% less burnout. However, global trust levels are down significantly; fear that business leaders will lie to employees are at an all-time high, and 42% of employees say their employer is not meeting their needs (vs. 19% in 2022).

What do employees look for in order to have trust?

Working on the below pillars of trust is an ongoing process for organisations and can be applied to different areas of the organisation (e.g. AI deployment):

Competency
Do our leaders know what they're doing?

Consistency
Do actions match their words?

Care
Do leaders genuinely value employee opinions?

Listening to Build Trust

One of the ways leaders can show consistency and build trust is in how they approach listening:

There are many ways to listen today – e.g. employee engagement surveys, digital focus groups and workshops – and a wealth of adjacent data we can use.

Passive listening uses AI to analyse anonymised, aggregated data from existing communications tools (email, messaging, collaboration platforms), adding an extra lens on how employees feel – but comes with privacy concerns.

We value data and evidence, but poor or excessive use can undermine trust. Have a clear listening strategy and roadmap, asking:

- What do we need to learn?
- Who do we need to learn it from?
- How often do we need to be listening?
- How will we do it?

## 04 UNCOVERING PATHS TO TRUST AND TRANSPARENCY

SLIDES

The following actions can help organisations to get started with listening:

- Leverage various models and frameworks organisations can use (e.g. the 4 Cores of Credibility, Active Listening & Feedback Loops).
- Tell a consistent story across the organisation, making a complex story relatable and connecting with employees emotionally.
- Consider both the 'Corporate Influence' (how trust is influenced by how the organisation communicates) and the 'Manager Influence' (how trust is influenced by the communication approach of the manager).
- Be open and transparent about what it is not possible to do.

The Trust-Communication Balance

There is an inverse relationship between trust and communication needs – high trust reduces the need for extensive communication, while low trust demands more effort (outlined in the below matrix). Understanding this dynamic helps leaders optimise their communication strategies for better team engagement and productivity.

BALANCING PROFIT AND PURPOSE
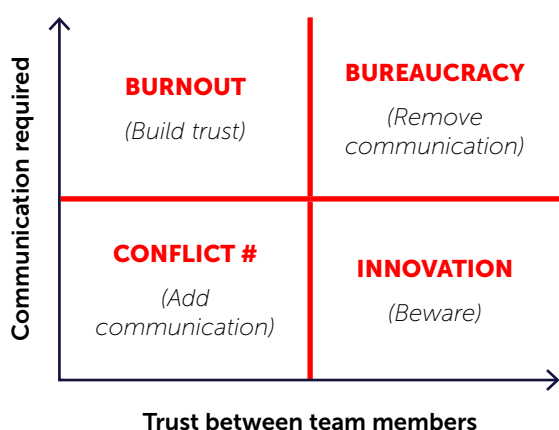
Burnout. Low trust between team members and a high level of communication required to deliver results. **Action:** focus on building trust.

Bureaucracy. High trust, high communication. Teams deliver good results but grumble about too many updates and meetings. **Action:** reduce unnecessary communication so people can focus on innovation and solving problems in their area.

Conflict. Low trust, low communication. This shows up as errors, miscommunication, arguments, and side conversations. **Action:** increase the quality and frequency of communication.

Innovation. High trust, lean (light-touch) communication. You can hand over responsibility, trust employees will deliver, and get sensible updates. **Action:** Beware of backsliding.

3 Practical Ways to Build Trust

- Establish a clear listening strategy; design with clear motives and a coherent agenda; ensure leadership demonstrates the right behaviours and acts in alignment; actively listen to feedback.

- Enable transparency through role-modelling and equipping leaders. Think strategically about audiences, stakeholder support (especially managers) and how you'll tell the story.

- Track the impact of improved levels of trust.

11