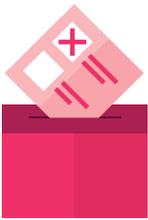


HR CHANGING GEARS:

THE FUTURE WORKPLACE

In 1931, Winston Churchill wrote, “The scientific achievements of the next 50 years will be far greater, more rapid and more surprising, than those we have already experienced ... But this is only a beginning.” The same is true for the future of work, which will take new twists as the pace of change quickens. Drawing on the results of Mercer’s 2019 Global Talent Trends Study,¹ we look at five factors shaping the workplace and explore how HR gets from insight to action.



82%

OF EMPLOYEES SAY THEY WOULD CONSIDER WORKING ON A CONTRACT BASIS

ACCELERATED REINVENTION

Technological upheaval is driving the need for a change-agile culture. The thriving businesses of tomorrow will be adept at organizational (re) design to imagine new business models, while remaining mindful of the environmental and social impact of these models. Indeed, according to Mercer’s latest research, 73% of executives predict significant industry disruption in the next three years – up from 26% in 2018.² The organization of the future will be less rigid, and teams will be streamlined and nimble in response to evolving strategic priorities.

Action:

As talent moves between teams that ramp up – or wind down – quickly, HR systems will have to be as agile as the business itself. Organizational design expertise will be essential for HR, but the ability to form – and reform – both teams and cultures is even more critical. Achieving this culture depends in part on hiring people who can adapt and learn, and on cultivating a mindset for experimentation throughout the organization.

PEOPLE PLATFORM

The gig economy is raising expectations of what is possible in the world of work. Some 82% of surveyed employees say they would consider working on a contract basis, partly because of the opportunity to earn more. A platform mentality is taking hold where organizations are the epicenter of a shifting talent ecosystem of core, contingent and crowdsourced workers. Companies will thrive by valuing access to skills (not ownership), by genuinely understanding people’s motives and interests and by fostering connections across their network.

Action:

HR’s horizons are being broadened by the need to accommodate diverse groups of people, evolving skillsets and changing business needs. Data are HR’s best friend in sourcing talent, matching people’s passions to business demands, and indicating when to hire from within or outside. But while analytics can forecast skill gaps and human capital risks, it will be the decisions around future workforce size, shape and skills that will accelerate transformation.



73%

OF EXECUTIVES PREDICT SIGNIFICANT DISRUPTION IN THE NEXT THREE YEARS

¹ The 2019 Global Talent Trends Study surveyed more than 7,300 C-suite executives, HR professionals and employees globally. The study takes a deep dive into data in nine key industries and 16 geographies on how organizations are preparing for the future of work.

² Mercer. *Global Talent Trends Study*, 2019, available at <https://www.mercer.ca/en/our-thinking/career/global-talent-hr-trends.html>



“Thriving in this climate requires greater effort to help people blueprint work schedules that meet their changing needs.”

‘GLOCALIZATION’

Realizing global growth while being agile creates a dilemma. So how will companies stay ahead? Leading firms are aligning change efforts to a few anchor points where they believe future value will be generated – be it new products, new partners, new critical skills, or new operating models.³ Yet tensions remain between the efficiency of global operations and the relevance of local solutions. To square the circle, organizations are striving to develop talent who think globally, encourage an agile workforce and balance global consistency with local needs.

Action:

Companies will increasingly depend on building organizational and employee agility rather than relying on periodic change initiatives. They need the capacity to attract, develop and retain top-notch talent in emerging markets and nimble ways to expose talent to different business models. Online approaches to employee development and cultural immersion will ensure hard and soft skills are learned in context.

MASS CUSTOMIZATION DATA-DRIVEN

Individualization is not a new trend. But the scope and scale of the consumer mentality will transform customization into standard practice. Customers, clients and individuals feel empowered to shape their own experiences. In the workplace, why we work, what we work on, how we are rewarded and how we keep our skills fresh permeate employee views on what they want from the employment deal.

Action:

In this new model, employers and employees engage in dialogue to shape the content of their assignments, goals and even work environments. Thriving in this climate requires greater effort to help people blueprint work schedules that meet their changing needs, and a shift toward personalized experiences that boost physical, financial and emotional well-being. Combining insights from data and personas, HR will guide people toward the benefits most relevant and valuable to them given their lifestyle, life stage and situation.

Our application of data is shifting rapidly beyond description to prediction. Core HR data will not change much. What will change are the vast troves of social data available – such as how employees actually interact, their interests and how they spend their work hours. This will enable HR to test new programs virtually and forecast behavior in very precise ways: HR programs will become more customized, and algorithms will drive more HR decisions.

Action:

Data-based predictions will refine decisions on career paths and talent development. But it also requires HR to carefully balance data with people’s privacy. The concern of governments about the power of social media giants risks a regulatory regime that will constrain employers from using data in a positive manner to align the interests of the workforce and the company. Organizations will need to bring employees’ interests to the fore to mitigate risk in a big data world. ■

³ Mercer. *Global Talent Trends Study*, 2019.

ABOUT MERCER

At [Mercer](#), we make a difference in the lives of more than 115 million people every day by advancing their health, wealth, and careers. We're in the business of creating more secure and rewarding futures for our clients and their employees – whether we're designing affordable health plans, assuring income for retirement or aligning workers with workforce needs. Using analysis and insights as catalysts for change, we anticipate and understand the individual impact of business decisions, now and in the future. We see people's current and future needs through a lens of innovation, and our holistic view, specialized expertise, and deep analytical rigour underpin each and every idea and solution we offer. For more than 70 years, we've turned our insights into actions, enabling people around the globe to live, work, and retire well. At Mercer, we say *Make Tomorrow, Today*.

HOW MERCER CAN HELP

Elevate your workforce with improved management, compensation, and communication strategies. Draw from rigorous analytics and data-driven insights to increase the efficacy of your workforce systems. Mercer can help you to design value propositions that appropriately recognize your talent and inspire engagement.

For further information, please visit www.mercer.ca

Join the conversation:

 [@MercerCanada](#)  [Mercer Canada](#)

