

HEALTH WEALTH CAREER

WHEN PEOPLE THRIVE, BUSINESSES THRIVE

CULTIVATE A LAB MINDSET –
WORKFORCE ANALYTICS &
INNOVATION



**KATERINA
PSYCHOPAIDA**
Employee Research



JEN SAUNDERS
People & Digital

WELCOME TO THE WEBINAR SERIES



**PEOPLE
STRATEGY**

**IT STARTS WITH YOUR PEOPLE STRATEGY:
RECORDING AVAILABLE**



**VALUE
PROPOSITION**

**CURATE A DISTINCTIVE EMPLOYEE VALUE PROPOSITION:
RECORDING AVAILABLE**



**WORK
ENVIRONMENT**

**DEVELOP INSPIRING, AGILE AND INCLUSIVE LEADERS:
RECORDING AVAILABLE**

**CARE FOR PHYSICAL, MENTAL AND FINANCIAL WELLBEING:
RECORDING AVAILABLE**

**CRAFT ASPIRATIONAL AND MEANINGFUL CAREERS:
RECORDING AVAILABLE**



**DATA-DRIVEN
MINDSET**

**CULTIVATE A LAB MINDSET WITH ANALYTICS AND INNOVATION:
25 APR 2018**

*You cannot wait until a house burns down to
buy fire insurance on it.*

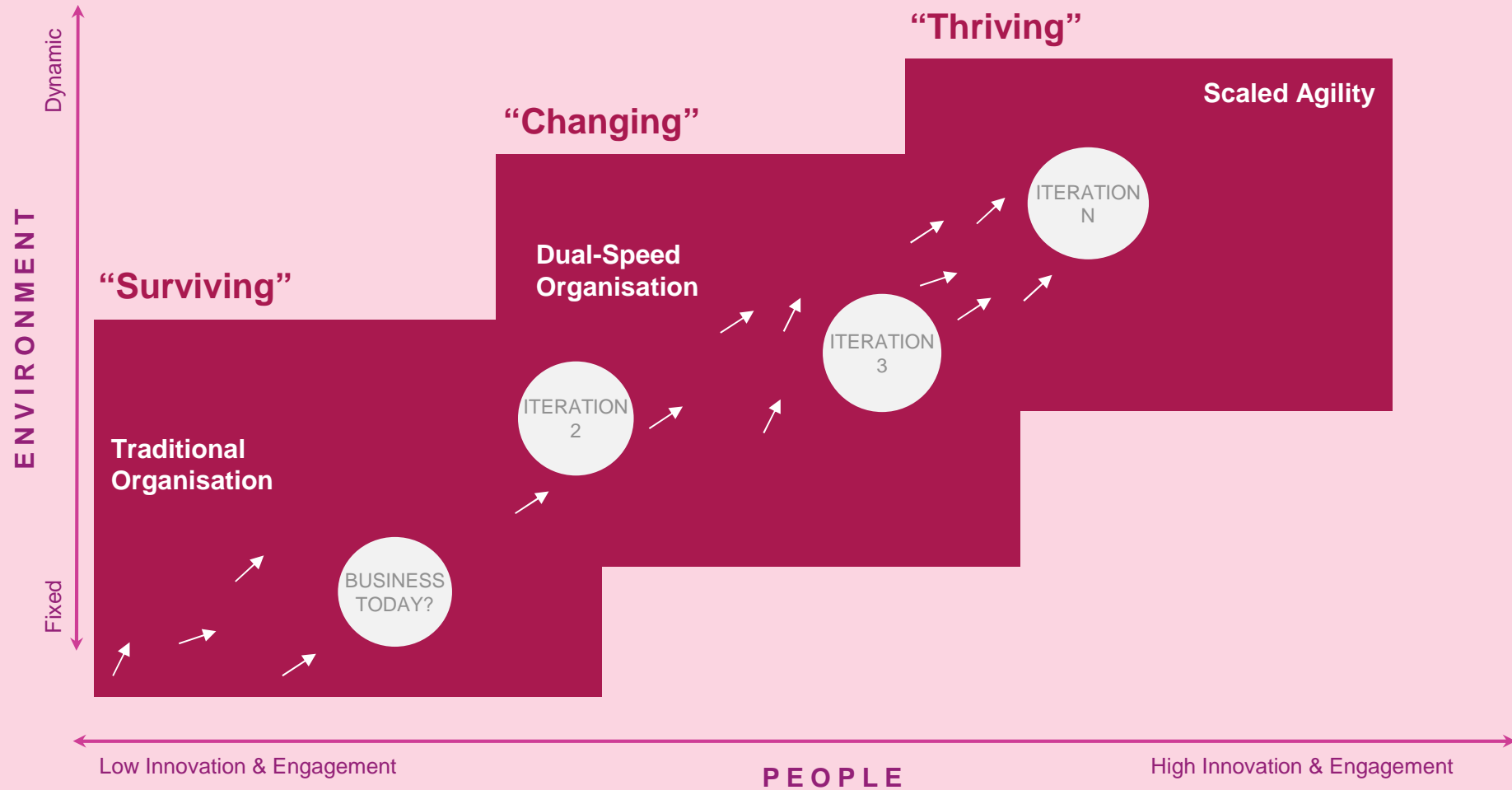
*We cannot wait until there are massive
dislocations in our society to prepare for the
Fourth Industrial Revolution.*

Robert J. Shiller | 2013 Nobel laureate in economics | Yale University professor

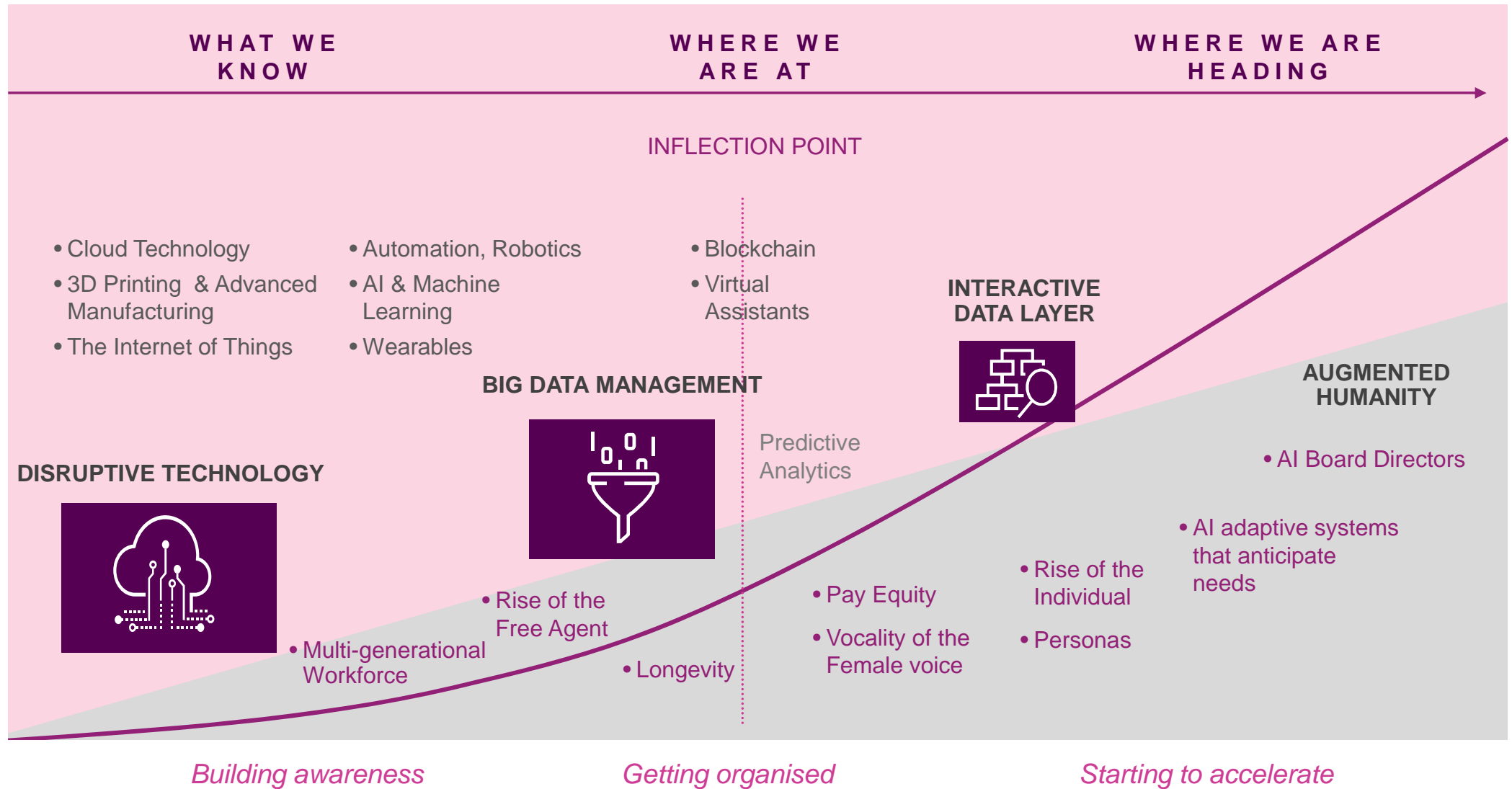




CREATE AGILE WORK PRACTICES



A YEAR OF ACTION, NOT ANTICIPATION LIVING PAST THE INFLECTION POINT





CHARACTERISTICS

1. Experimentation through design thinking;
2. Balanced risk taking; and
3. Dependent upon continuous learning.





CHANGE@SPEED | PREPARING FOR THE FUTURE OF WORK

1

Enable managers to lead in a **multi-speed** and **multi-partner environment** through integrated people planning and enhanced change management discipline

2

Embrace exponential learning by creating a virtuous cycle between skill needs, learning access, and hands-on development experiences

3

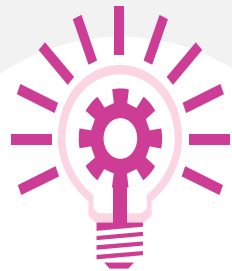
Cultivate a lab mindset by increasing the aptitude for data, the prevalence of digital competence, and an appetite for experimentation

Future Of Work Analytics

- Role-Fit Quotient
- Resiliency Analysis
- Career breadth and velocity monitoring
- Innovation metrics



EXPERIMENTATION THROUGH DESIGN THINKING



94%

of executives say innovation is a core part of their 2018 agenda

but only

39%

have specific funding

15%

of employees say it is very easy to innovate

A LAB MINDSET PROCESS: DESIGN THINKING

39% of companies have dedicated teams

26% have sandbox environments for quick product prototyping

7% of companies have entrepreneur in residence programs

EMPATHISE

DEFINE NEED

IDEA GENERATION

PROTOTYPE

TEST

COMMERCIALISE

48% of companies have innovation skills training

43% encourage employees to submit ideas

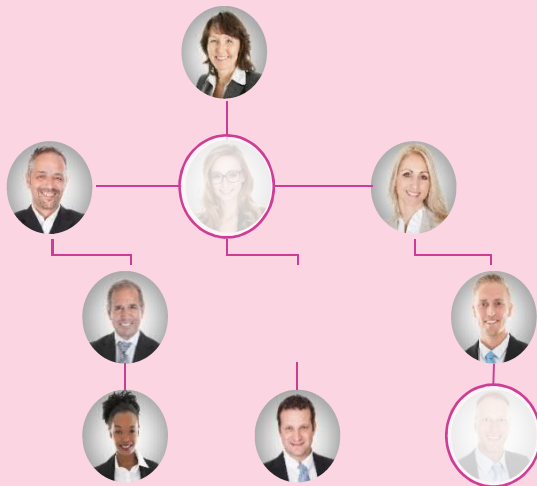
22% of companies allocate time for people to experiment



CONTINUAL LEARNING

81%

Employees want opportunities to grow personally and professionally



C-suite predict
+20% of roles in
their org will cease
to exist in 5 years

UNIQUELY HUMAN SKILLS ARE MOST IN DEMAND

- Innovation
- Digital competence
- Global mindset
- **Data analysis / predictive modeling**
- Complex problem solving
- Change management
- Inclusive leadership



TOP STRATEGIES FOR ADDRESSING THE FUTURE OF WORK

1. Upskilling digital competence (42%)
2. Increasing access to online learning (40%)

1 out of 3 companies are:

- Deploying rapid internal skills training
- Implementing agile work practices
- Enhancing sales skills across the organisation
- Automated/digitised role identification
- Stepping up career coaching



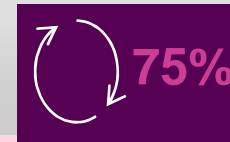


DIGITAL FROM THE INSIDE OUT

66% of employees say that having access to state-of-the-art digital tools is important



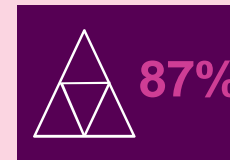
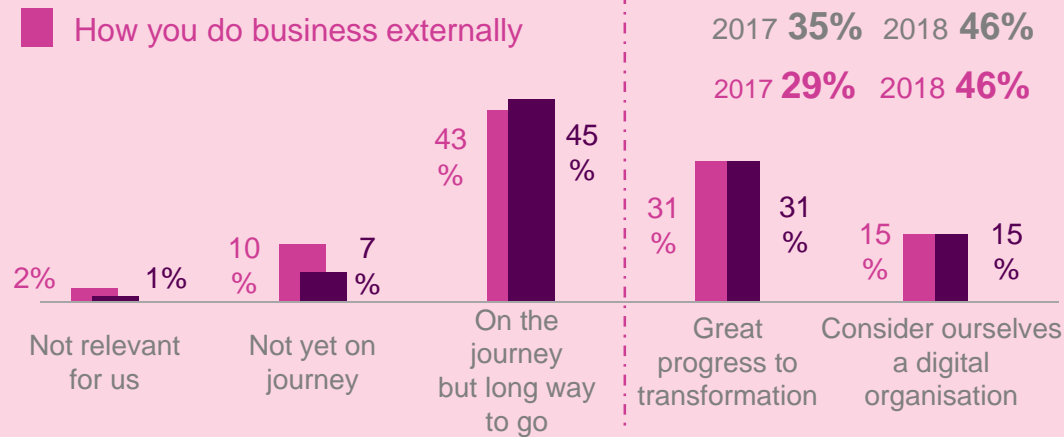
What's different about Digital Organisations?



REPORT HIGH SCORES FOR CHANGE AGILITY

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

- How you shape the employee experience
- How you do business externally

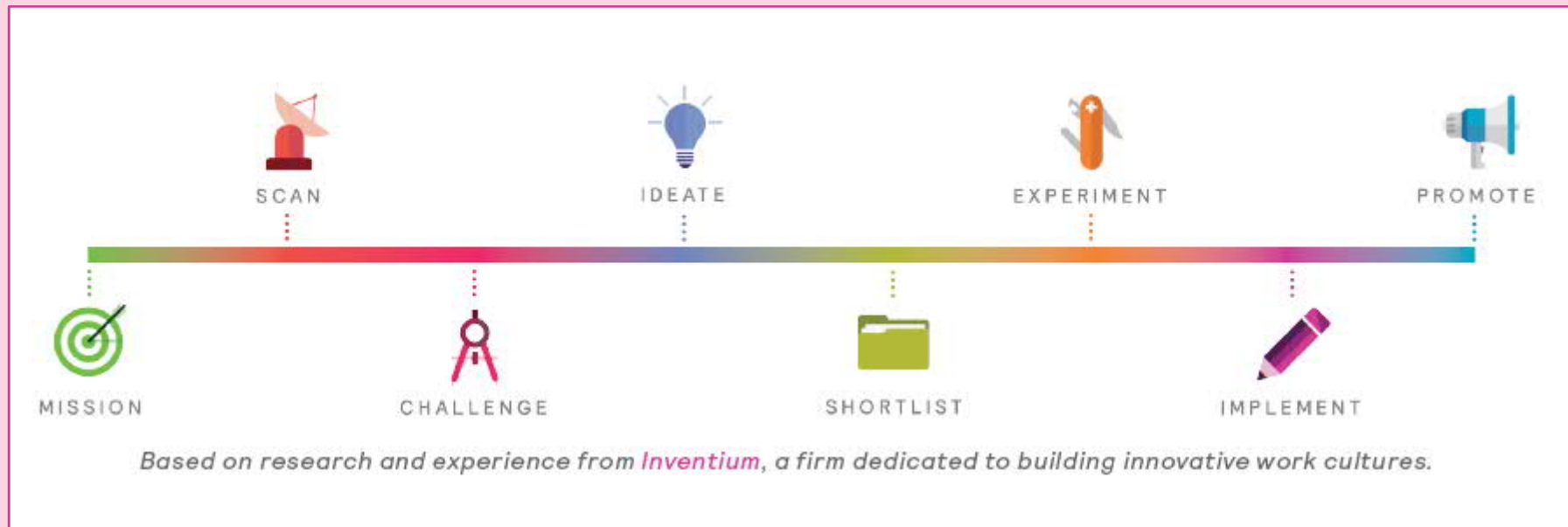


HAVE A COMPELLING & DIFFERENTIATED EVP



SEE HR AS AN ADVISOR ON HUMAN CAPITAL RISKS

HOW TO CREATE A LAB MINDSET



HOW TO CREATE A LAB MINDSET

PROCESS:

MANAGE SPECIALISED KNOWLEDGE IN AN INTEGRATED FASHION.
DESIGN, TEST, MODIFY, AND ABANDON OPTIONS, OVER AND OVER AGAIN,
UNTIL YOU GET IT RIGHT

PEOPLE ▶

Source “learning”
rather than
“knowledge”
workers

DATA ▶

Clean,
organised,
“open-access”
form of data

TOOLS ▶

Invest in
technology to
gain insights, run
analytics, monitor
performance

COMMITMENT

Leader walking
the talk with
data-driven
decisions making



GOVERNANCE IS CRITICAL



Privacy regulations and laws must be respected at all times.



Where possible, make sharing of data **Optional**. Be **Transparent** about everything that is done



Listen to **Feedback** on the analytics goals from people who will be affected. Give some **Recognition** to those who share their data.



ANALYTICS ARE CRITICAL TO EMBRACING EXPERIMENTATION

*We are getting there
but not fast enough*

91%

Cite a range of
roadblocks in
delivering on the
vision of predictive
analytics

1. Lack of integration among data systems
2. Lack of management experience in using data
3. Lack of analytical skills in COEs / within HR
4. Time to get up-to-date and accurate data
5. Lack of compelling business case
6. Lack of clarity about which metrics are most useful
7. Lack of a dedicated team for analytics



A CASE IN POINT



MERCK

BREAKTHROUGHS BEGIN WITH CURIOSITY

Closing the gap between today and tomorrow

Mental Space for innovation

Creativity in
Problem solving

Inquisitiveness

Openness to
other ideas

Distress Tolerance

Physical Space for innovation

7100

sqm of space for provided
for employees and guests
in the Innovation Center

40

start-ups were supported
by the global Merck
Accelerator since 2015.

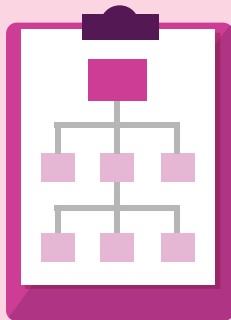
16

internal innovation
projects are
currently hosted

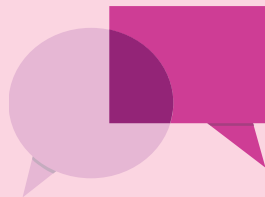
FINAL THOUGHTS



Reward risk taking – contrary to traditional performance management practices and goals. Create a culture of experimentation



Give people **time** for innovation (be considerate of the context & expectation). Give people access to data and analytics to set up and evaluate experiments.

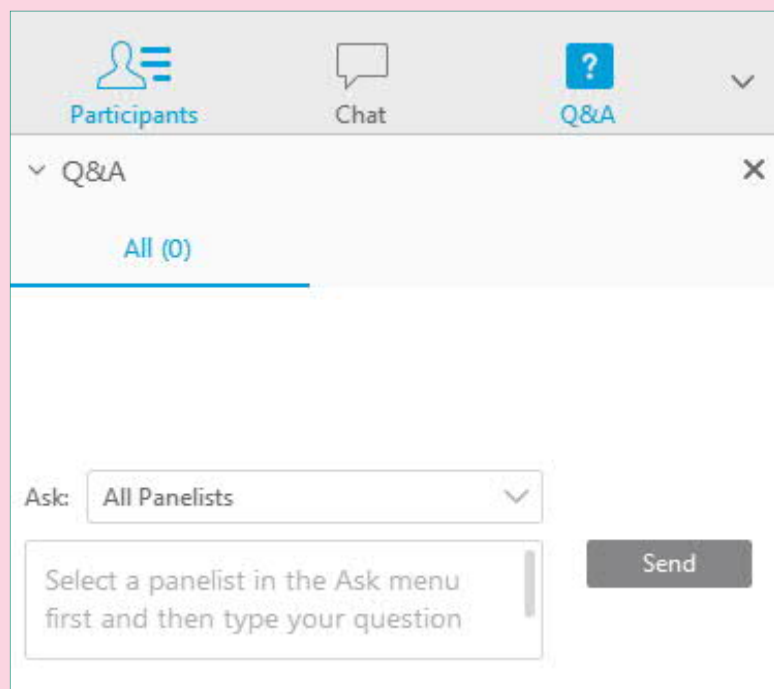


Remove the **Ego**: break-down silos and encourage knowledge sharing and experimentation between departments to answer business questions.

QUESTIONS?

Please type your questions in the Q&A section of the toolbar and we will do our best to answer as many questions as we have time for.

To submit a question while in full screen mode, click the Q&A button in the top right corner of your screen.



The screenshot shows a toolbar with three icons: 'Participants' (a person icon), 'Chat' (a speech bubble icon), and 'Q&A' (a question mark icon). Below the toolbar, the 'Q&A' section is expanded, showing a dropdown menu with 'Q&A' selected and a close button 'X'. Below the dropdown, it says 'All (0)'. At the bottom of the section, there is a form with a dropdown menu labeled 'Ask:' and 'All Panelists' selected. Below the dropdown is a text input field with the placeholder text 'Select a panelist in the Ask menu first and then type your question'. To the right of the text input field is a 'Send' button.

FEEDBACK

Please take the time to fill out the feedback form at the end of this webcast so we can continue to improve. The feedback form will pop-up in a new window when the session ends.

WE ARE HERE TO HELP YOU THRIVE

Slides and additional content will be emailed after the session.

**We can help at any stage of your journey.
Get in touch to speak to one of our experts:**

uk.mercer.com

mercerc.uk@mercerc.com