

Sample

Skills Practices



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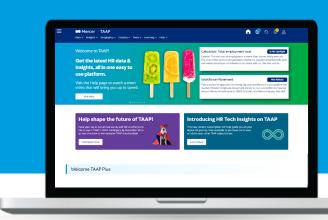
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information for you.

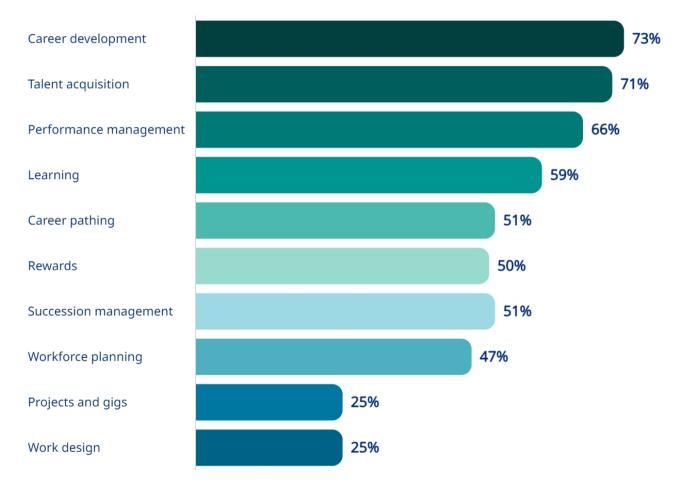


Tip: You may find this report easier to navigate by using bookmarks. Watch this **short video** to learn more.



Strategic overview

Practices that incorporate skills-based processes

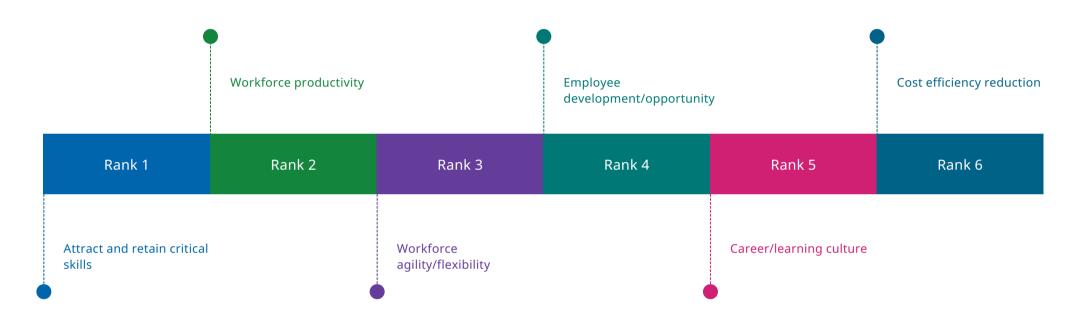


N = 409

Benefits & barriers

Importance ranking of desired benefits of the skills-based practices

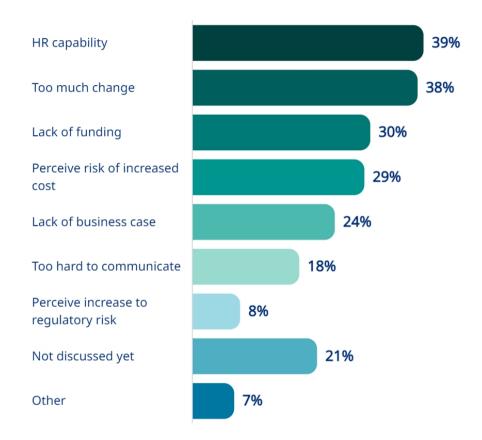
(1= Most important, 6= Least important)



N = 384

Benefits & barriers

Barriers to moving to a stronger skills-focused talent strategy



N = 406

Benefits & barriers

Potential implications from ChatGPT/Generative AI applications and impact on skilled workforce

Have plans to review potential implications of Generative AI on workforce

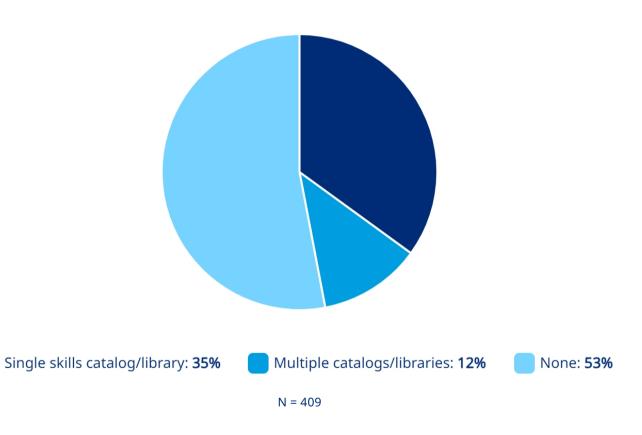
Have plans to review potential implications of deficiality 74 on workforce	39%
Actively considering potential implications of the application of Generative AI	
	38%
Have considered ethical and governance implications around Generative AI	
	27 %
Already have a workforce strategy around utilization of Generative AI	
	16%
Do not anticipate Generative AI to have any manageable impact to our skilled workforce	
	11%

6

N = 390

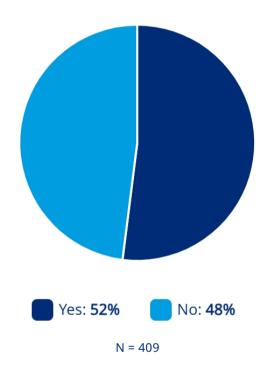
Skills foundation

Use of skills catalog or library

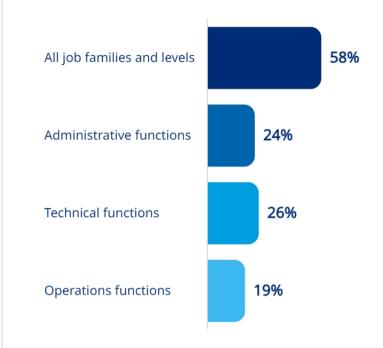


Skills foundation

Skills mapped to job architecture



Areas where skills are mapped



N = 235

Last updated: October 30, 2024

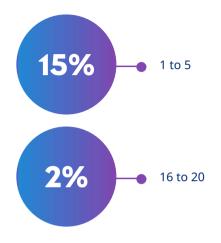
Skills foundation

Percentage of jobs with identified skills

P25	Median	P75	Average	N=
47%	77%	92%	67%	434

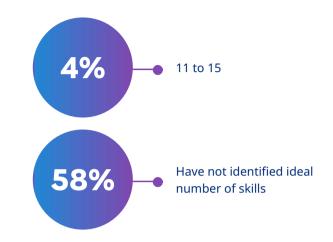
Skills foundation

Ideal number of skills associated with a job



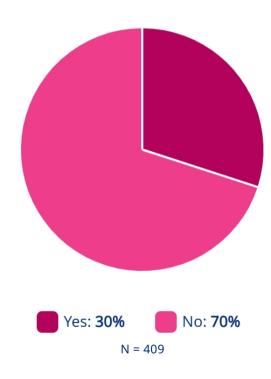




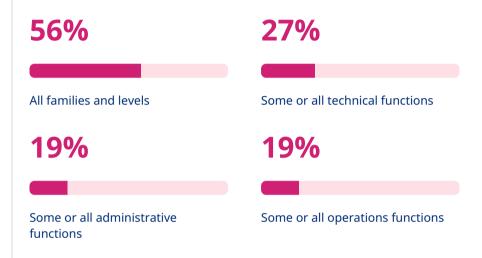


Skills mapping





Areas where skills are mapped



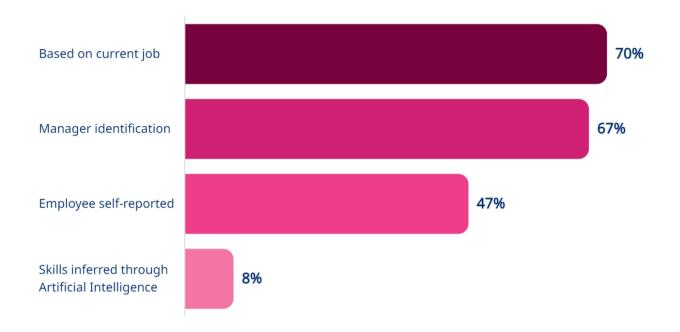
N = 162

Skills mapping

Percentage of employees with mapped skills

P25	Median	P75	Average	N=
47%	77%	87%	64%	221

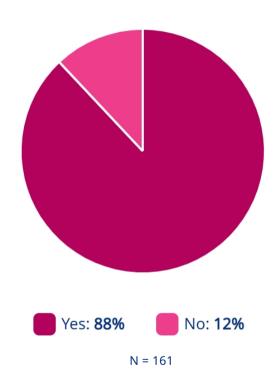
Method of mapping skills to employees



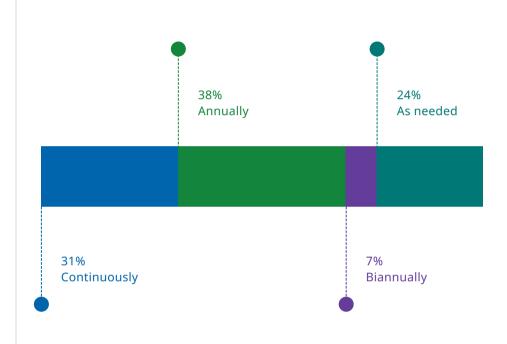
N = 162

Skills assessment

Employee assessment against relevant skill attainment



Frequency of skill assessment

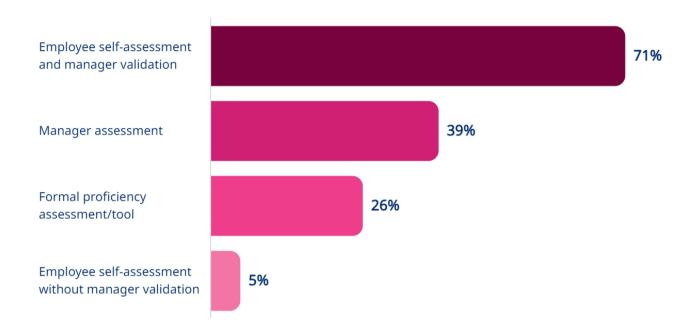


N = 151

Note: The sum of all responses may not add to 100% due to rounding.

Skills assessment

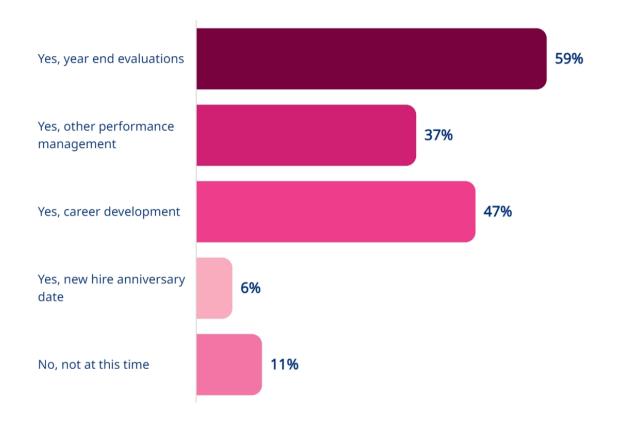
Assessment method



N = 147

Skills assessment

Assessment tied to specific HR process



N = 148

Skills profile

N = 404

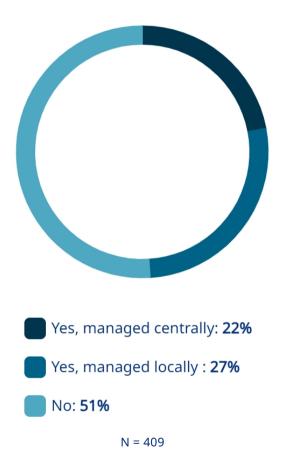


Transparency of skills profile Visible only to employee: 7% Visible only to HR/leadership/manager: 63% Visible to all: 30%

N = 172

Proficiencies

Company defines and manages skill proficiencies



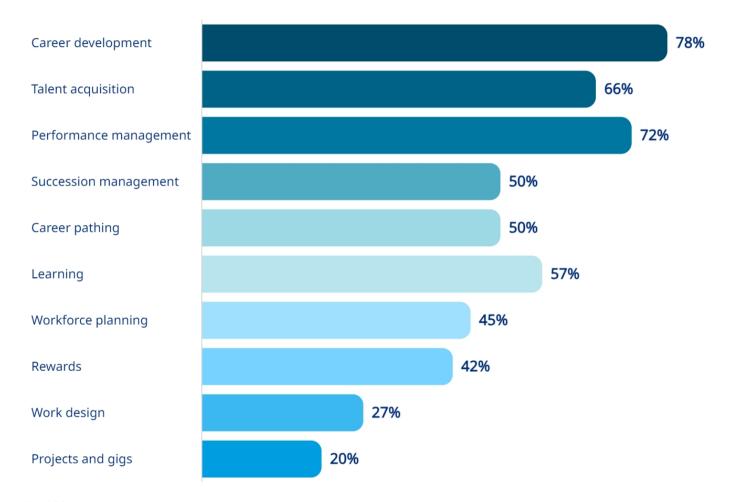
Application of common proficiency scale across all skills

7 %	Two levels	10%	Three levels
14%	Four levels	18%	Five levels
8%	Six or more levels	43%	Varies by skill or job family

N = 257

Proficiencies

Talent practices that require or incorporate proficiencies

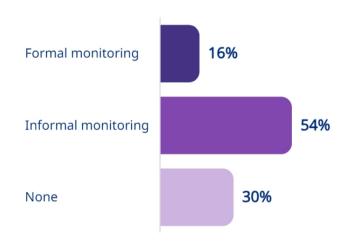


N = 258

Data & tech

Skills data

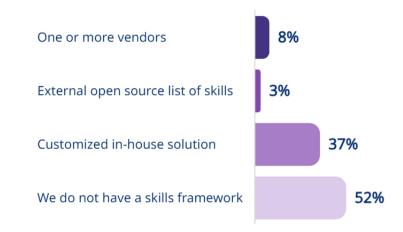
Monitoring of market demand/availability of skills



N = 409

Note: More than one response was permitted; percentages may sum to more than 100%.

Source of skills framework

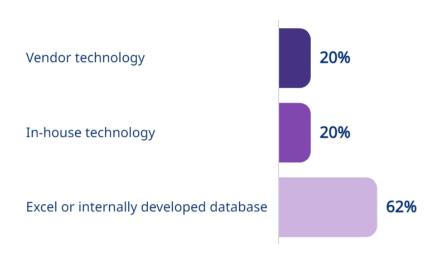


N = 409

Data & tech

Skills technology

Approach to skills technology



N = 401

Note: More than one response was permitted; percentages may sum to more than 100%.

Location of current skills data

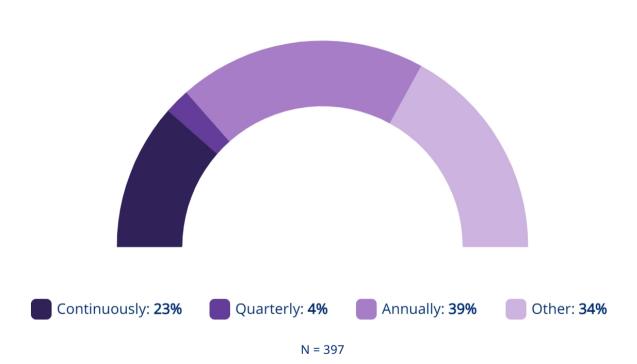


N = 400

Data & tech

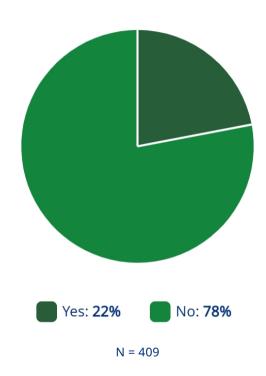
Skills technology

Frequency of skills data refresh



Company objectives

Skill-based reward programs provided



Company objectives

Objectives for linking rewards to skills



N = 156

Note: More than one response was permitted; percentages may sum to more than 100%.

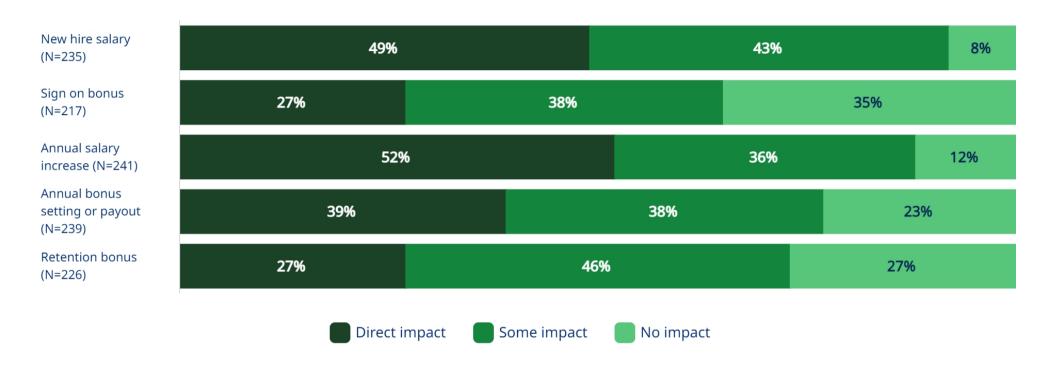
Skills differentiated with rewards



N = 156

Employee pay and rewards

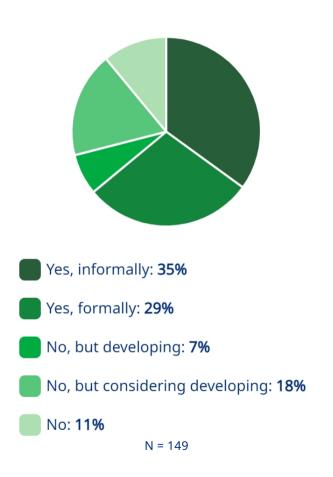
Impact of skills on pay



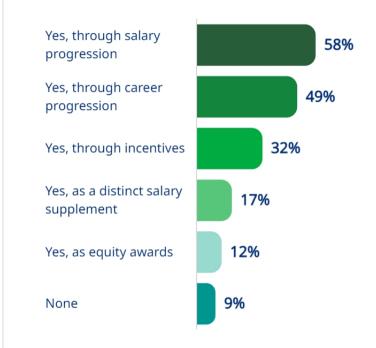
Note: The sum of all responses may not add to 100% due to rounding.

Employee pay and rewards

Rewards linked to reported skills for new joiners



Rewards linked to development of skills for existing talent



N = 153

Development of skills programs

Three-year plan for skills-based pay



N = 153

Other skills-based programs under consideration



N = 154

Maturity of skills inclusion

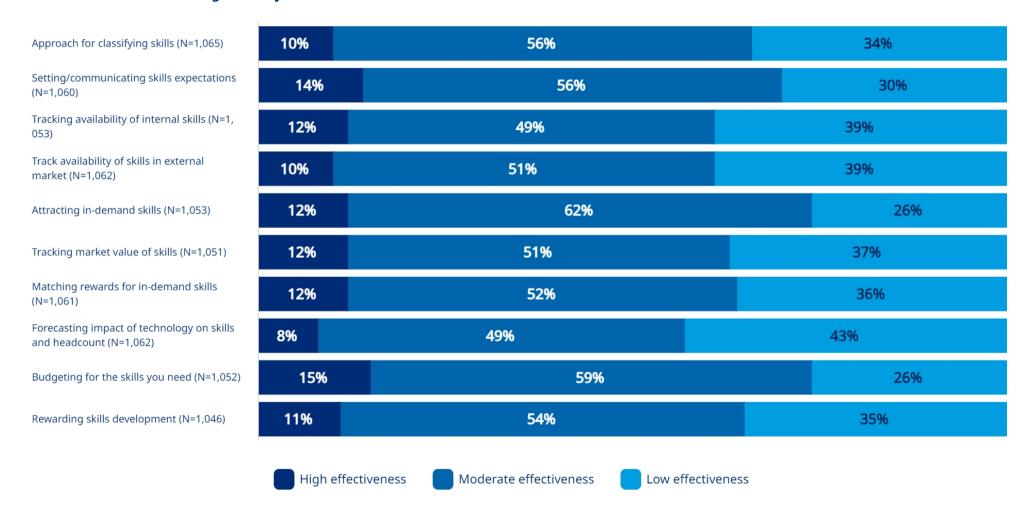
Maturity level for incorporating skills into processes

	Very high	High	Intermediate	Low	Very low	N=
Talent acquisition	4%	22%	45%	19%	10%	1,062
Performance management	4%	23%	39%	23%	11%	1,058
Career development	5%	22%	39%	23%	11%	1,071
Learning	7%	22%	44%	19%	8%	1,061
Workforce planning	4%	15%	37%	29%	15%	1,061
Rewards	4%	15%	34%	26%	21%	1,062
Projects and gigs	4%	15%	38%	24%	19%	1,062

Note: The sum of all responses may not add to 100% due to rounding.

Maturity of skills inclusion

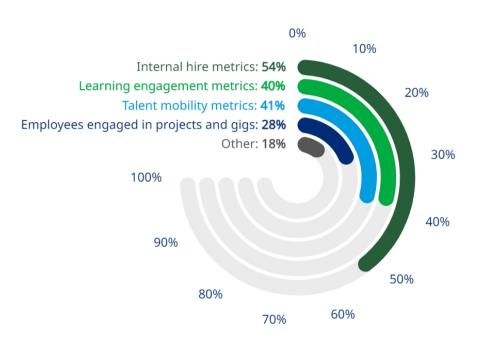
Level of effectiveness in meeting skills objective



Note: The sum of all responses may not add to 100% due to rounding.

Overall effectiveness

Metrics for measuring overall effectiveness of skills-based programs



N = 385

Overall effectiveness

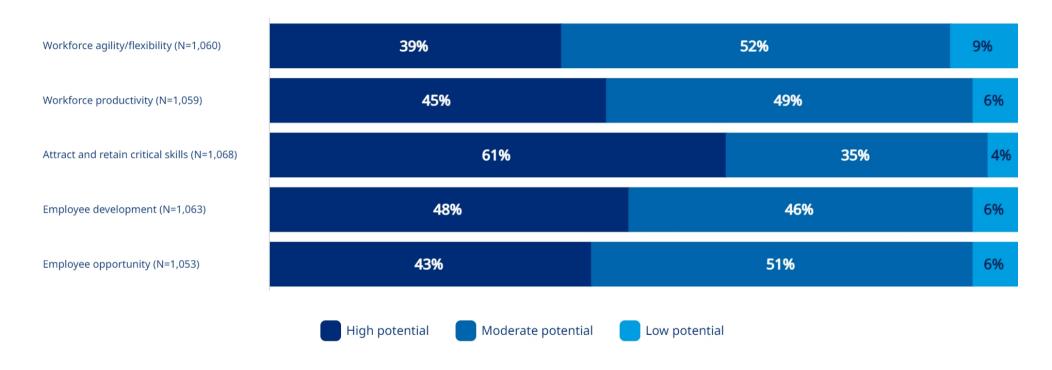
Level of effectiveness for current pay programs to address workforce objectives

	Very high	High	Intermediate	Low	Very low	N=
Workforce agility/flexibility	2%	17%	43%	26%	12%	1,079
Workforce productivity	2%	24%	47%	18%	9%	1,053
Attract and retain critical skills	4%	30%	45%	15%	6%	1,067
Employee development	3%	22%	47%	21%	7%	1,057
Employee opportunity	3%	20%	47%	22%	8%	1,056

Note: The sum of all responses may not add to 100% due to rounding.

Overall effectiveness

Level of potential for pay-for-skills to positively impact workforce objectives



Note: The sum of all responses may not add to 100% due to rounding.

Methodology

This section provides information on the methods of collecting, collating, and analyzing data for this product. You will also find notes on exceptions and exclusions in the data and information on data sources.

Data collection

Data for this product were collected from the following primary data sources:

Mercer's Skills Snapshot Survey

Data analysis

Statistics

The following statistics are presented in this report:

- P25 or 25th percentile: The data point that is higher than 25% of all other data in the sample when ranked from low to high. Also known as the first quartile.
- Median or 50th percentile: The data point that is higher than 50% of all other data in the sample when ranked from low to high.
- Average: The sum of all data reported divided by the number of data observations in the sample. Also known as the mean.
- P75 or 75th percentile: The data point that is higher than 75% of all other data in the sample when ranked from low to high. Also known as the third quartile.
- Prevalence: The percentage of companies that provided a response to a question with a defined number of options to choose from. For example, a single response question or a multiple response (select all that apply) style question.
 - In single response questions, the sum of all responses may not equal 100% due to rounding.
 - In multiple response questions, the sum of all responses will be greater than 100%.
- N or sample size: The number of companies that reported data for the statistic.
- Endash or "-": The sample is too small to provide the statistic.

Data masking

To ensure the confidentiality of all companies that provide data to Mercer's surveys, statistics have been "masked" by displaying an endash or "-" when minimum sample sizes are not met.

• A minimum of five data points are required to report the average, median, 25th and 75th percentile.

Methodology

Data exceptions and notes

Participants completed questions that were applicable to their policies; therefore, sample sizes vary by question. Keep sample size in mind when making decisions; a small sample size may not be a true reflection of the market.



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