

 Mercer TAAP

Sample

**Skills Practices**

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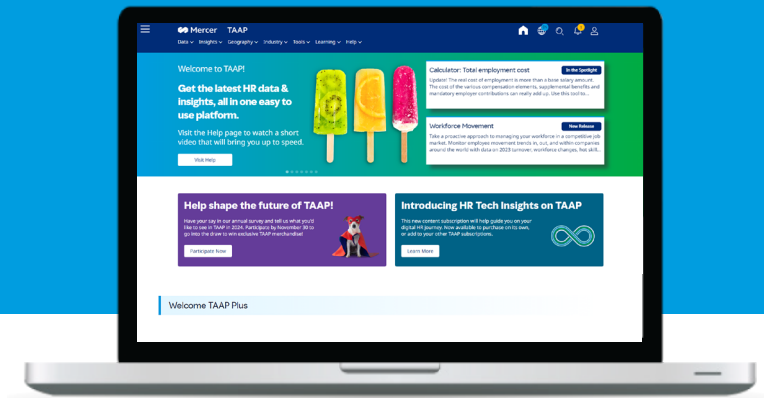
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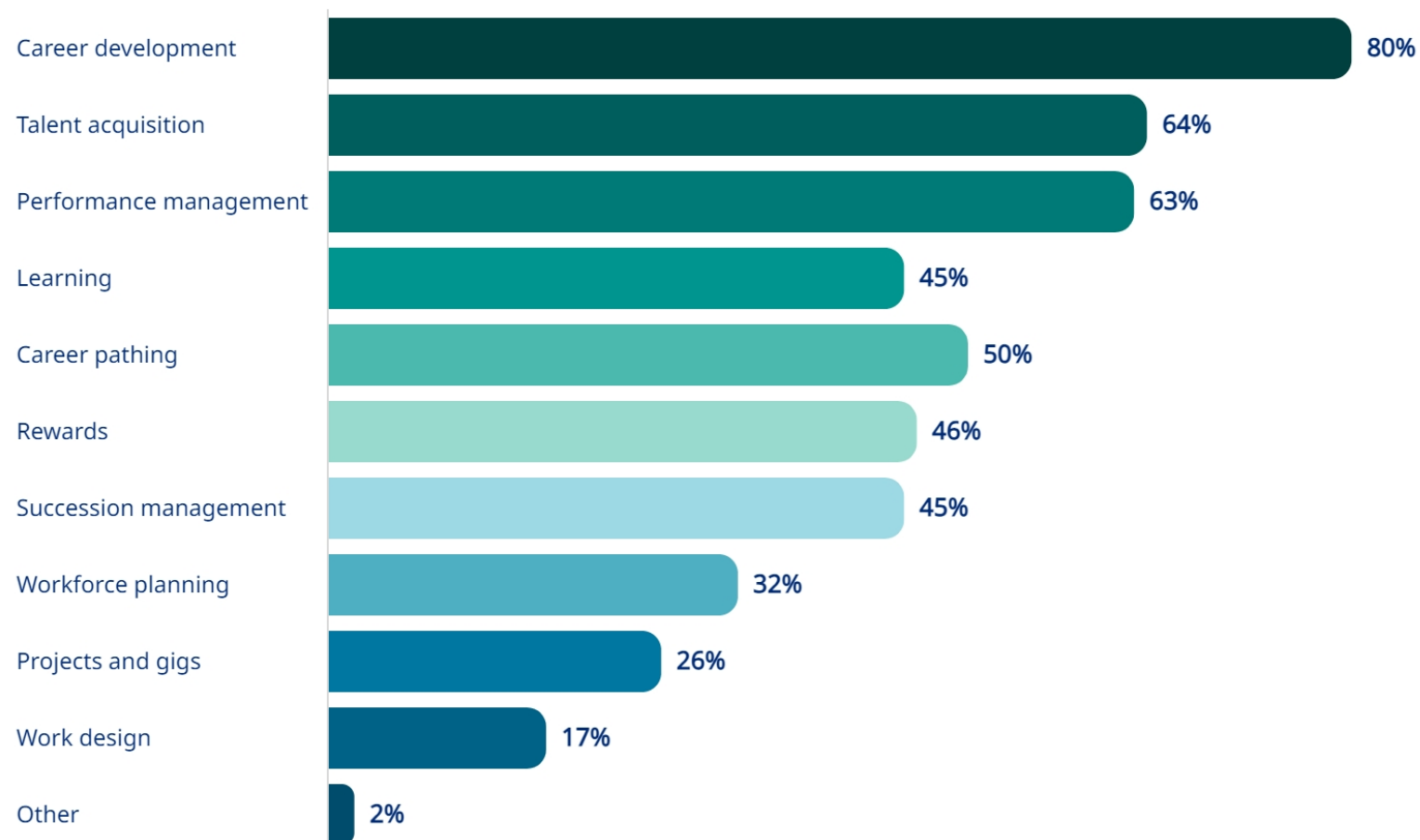
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# Alignment & strategy

## Strategic overview

### Practices that incorporate skills-based processes



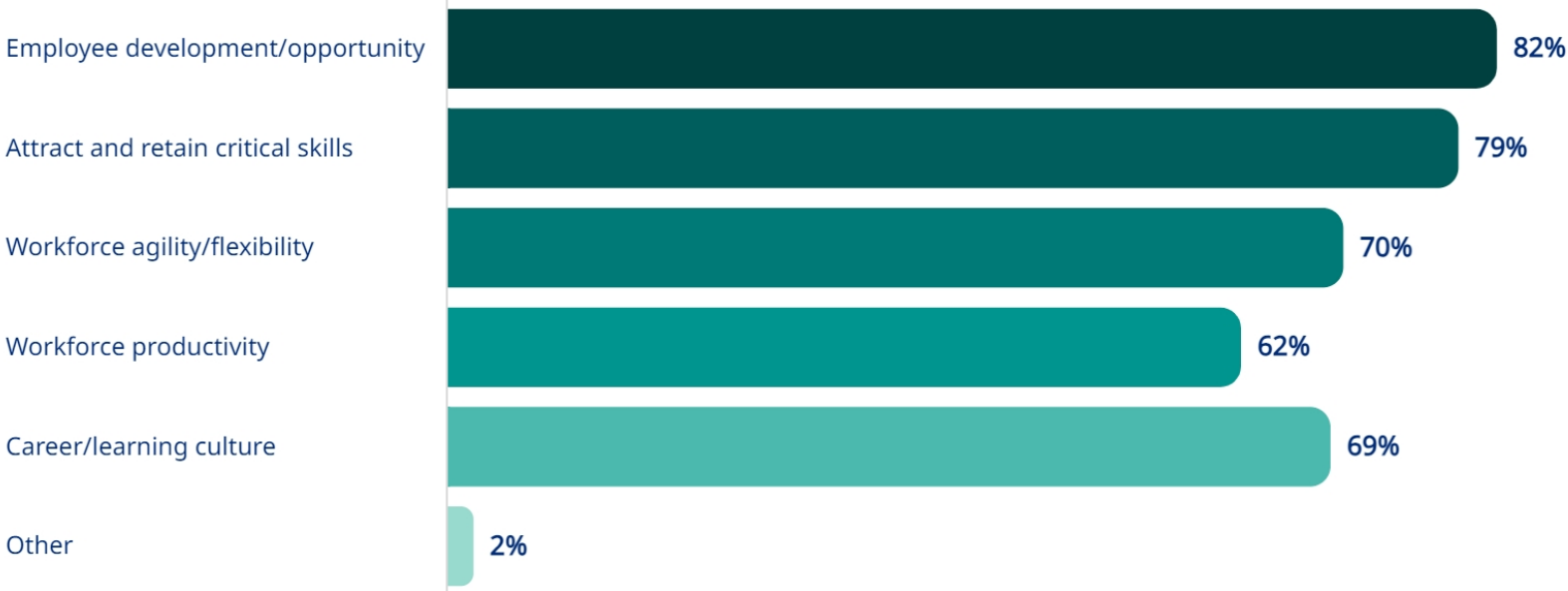
N = 50

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

# Alignment & strategy

## Benefits & barriers

### Desired benefits of the skills-based practices



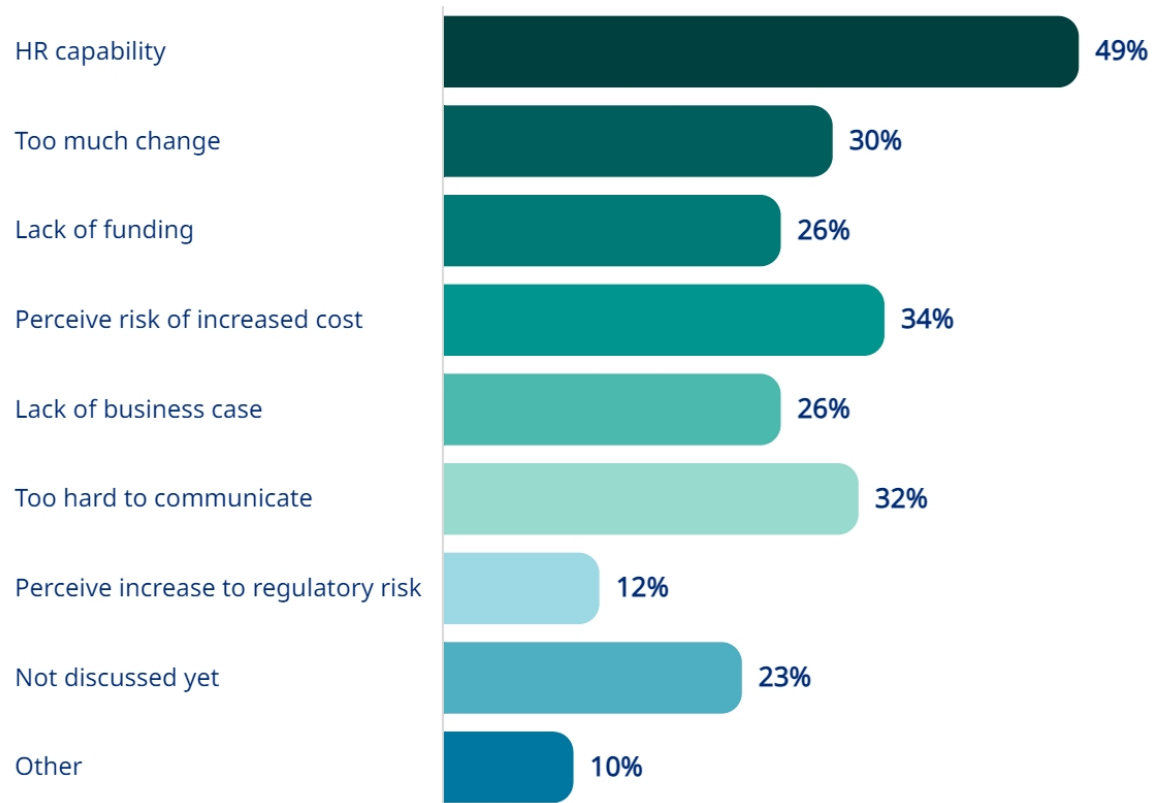
N = 50

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

## Alignment & strategy

### Benefits & barriers

#### Barriers to moving to a stronger skills-focused talent strategy



N = 50

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

## Alignment & strategy

### 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



Actively considering potential implications of the application of Generative AI



Have considered ethical and governance implications around Generative AI



Already have a workforce strategy around utilization of Generative AI



Do not anticipate Generative AI to have any manageable impact to our skilled workforce

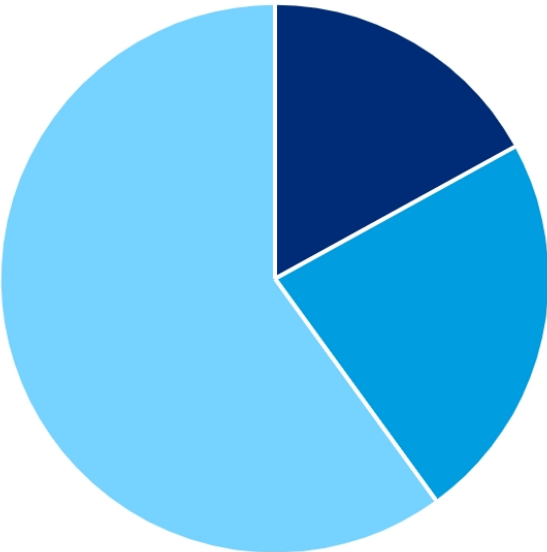


N = 50

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

# Skills foundation

Use of skills catalog or library

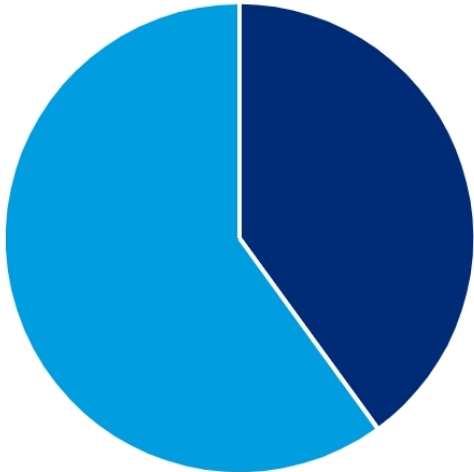


Single skills catalog/library: 17%   Multiple catalogs/libraries: 23%   None: 60%

N = 50

# Skills foundation

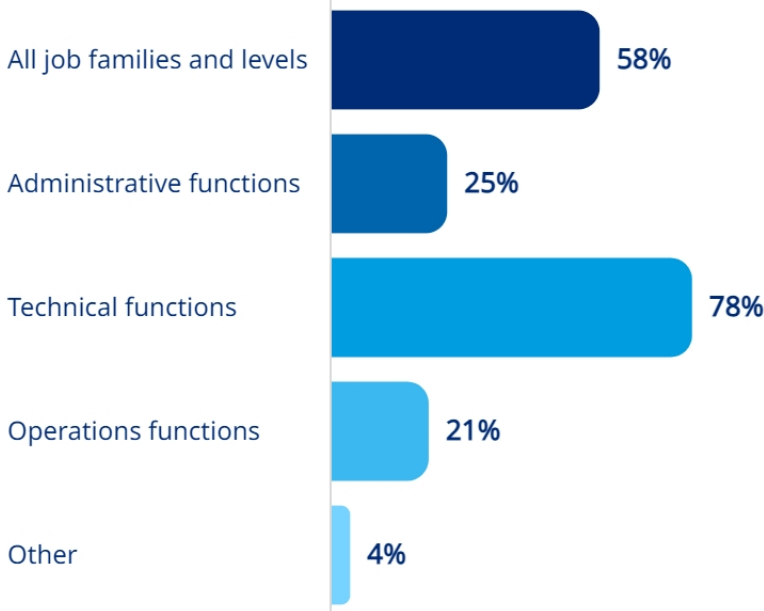
## Skills mapped to job architecture



Yes: 40% No: 60%

N = 50

## Areas where skills are mapped



N = 30

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



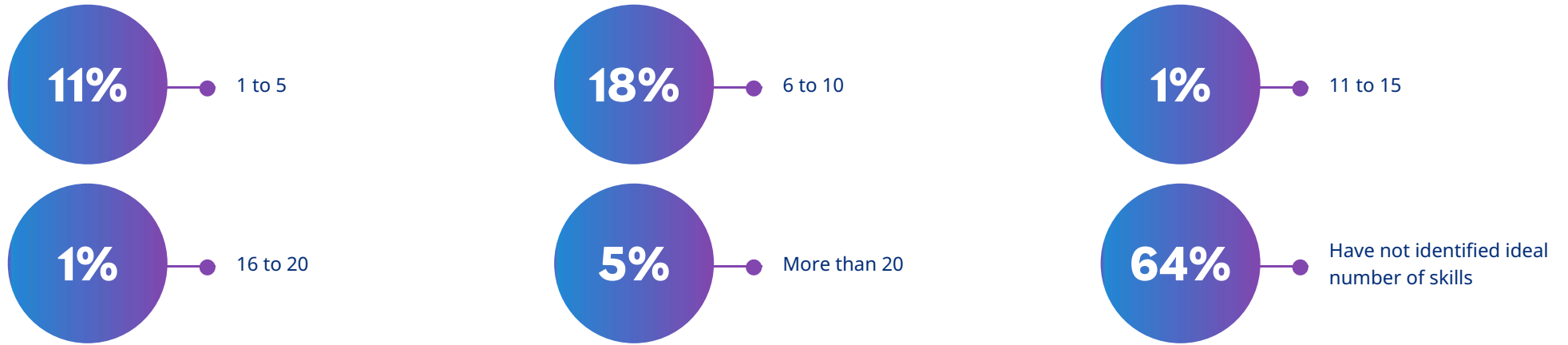
## Skills foundation

### Percentage of jobs with identified skills

P25	Median	P75	Average	N
40%	60%	85%	62%	39

## Skills foundation

### Ideal number of skills associated with a job

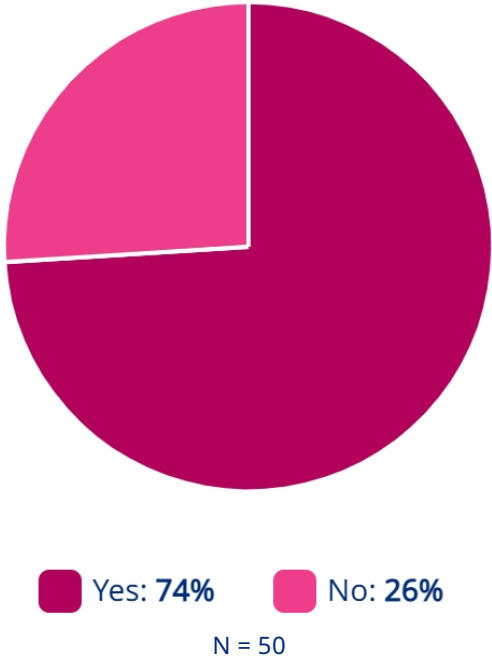


N = 50

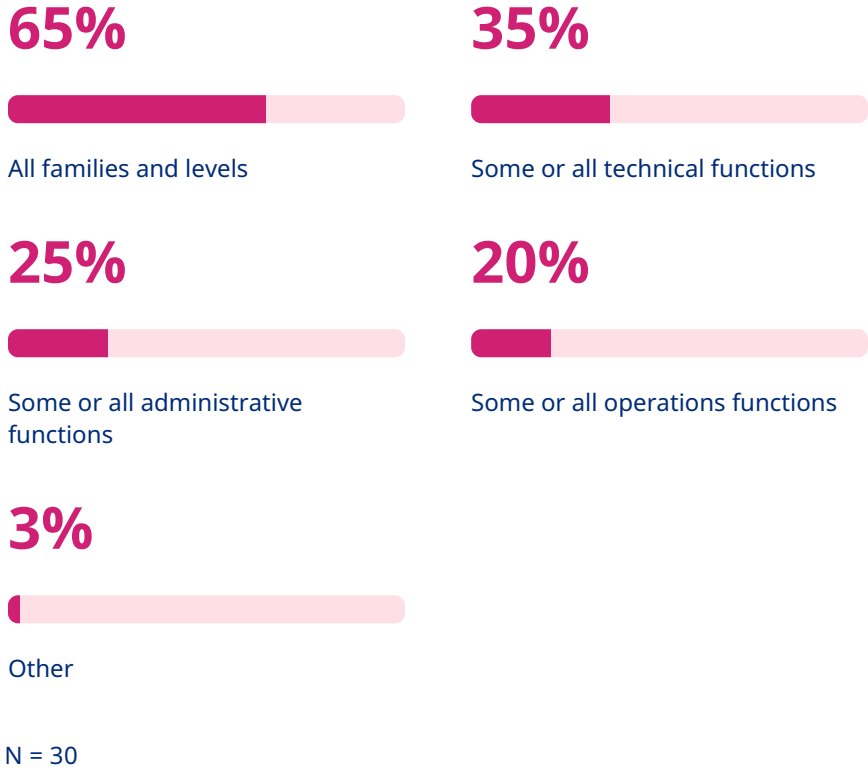
# Skills at employee level

## Skills mapping

Skills mapped to individual employees



Areas where skills are mapped



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

## Skills at employee level

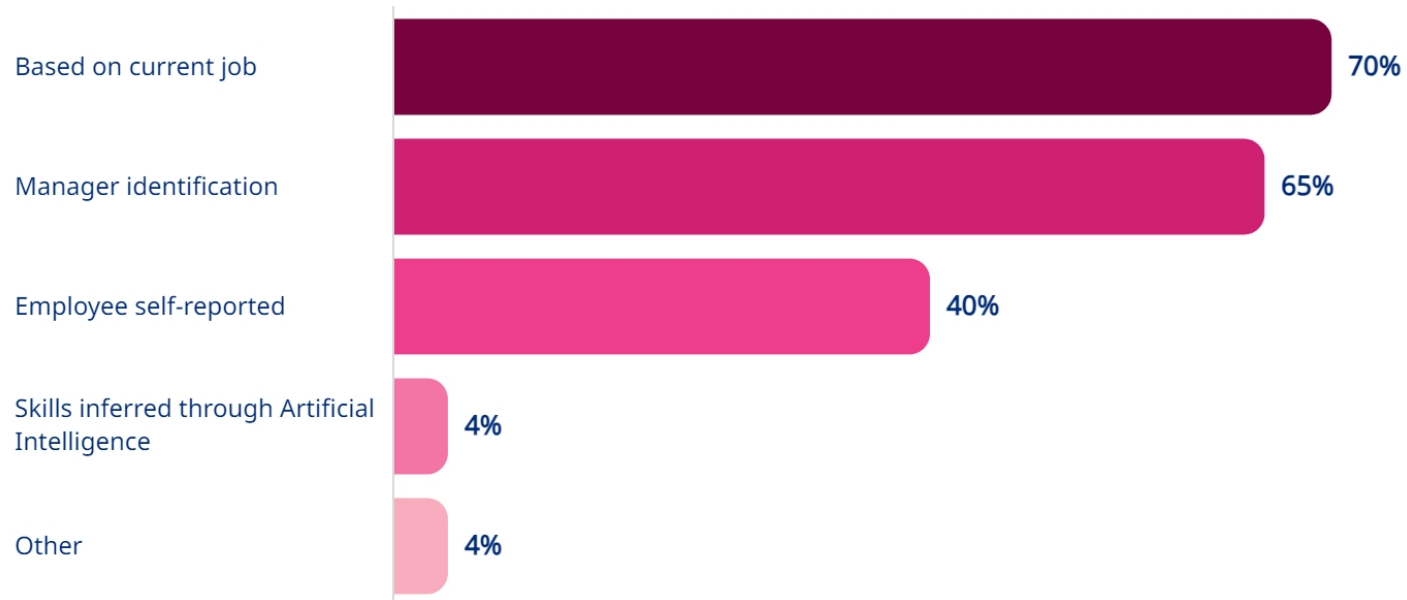
### Skills mapping

#### Percentage of employees with mapped skills

P25	Median	P75	Average	N
20	50	80	51	21

## Skills at employee level

### Method of mapping skills to employees



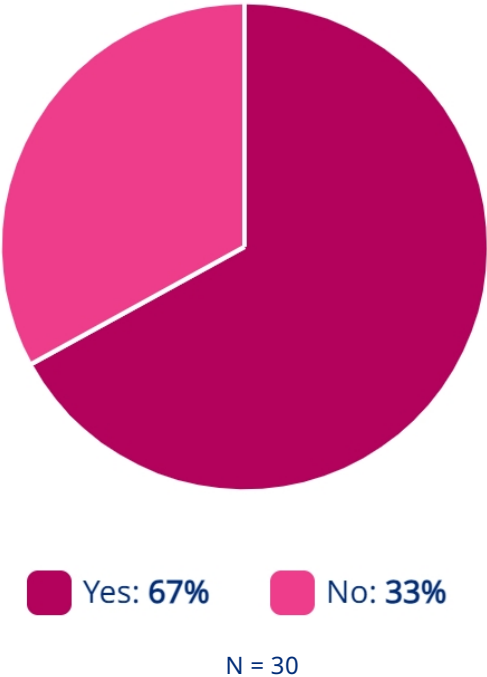
N = 30

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

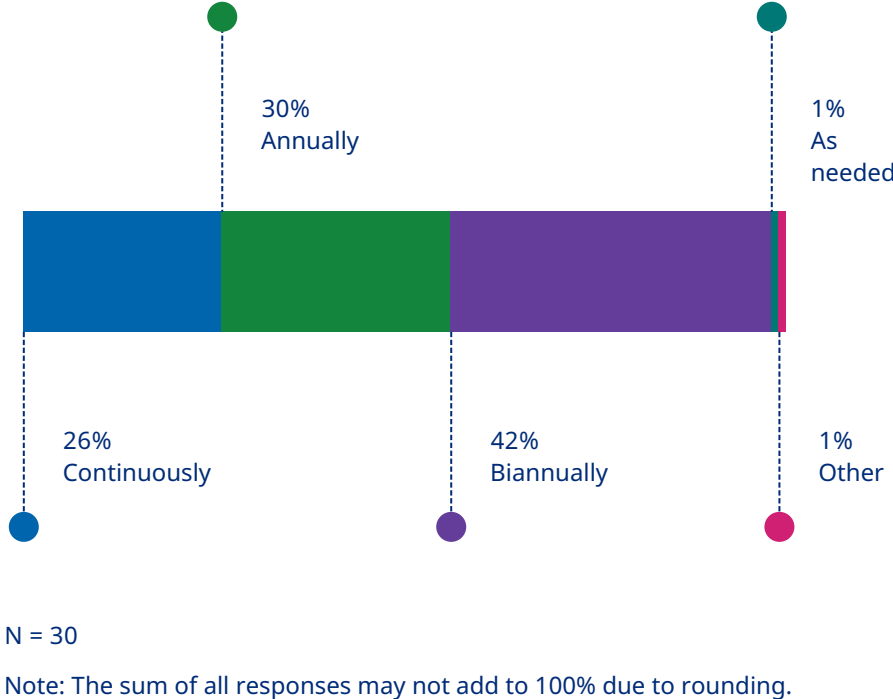
# Skills at employee level

## Skills assessment

Employee assessment against relevant skill attainment



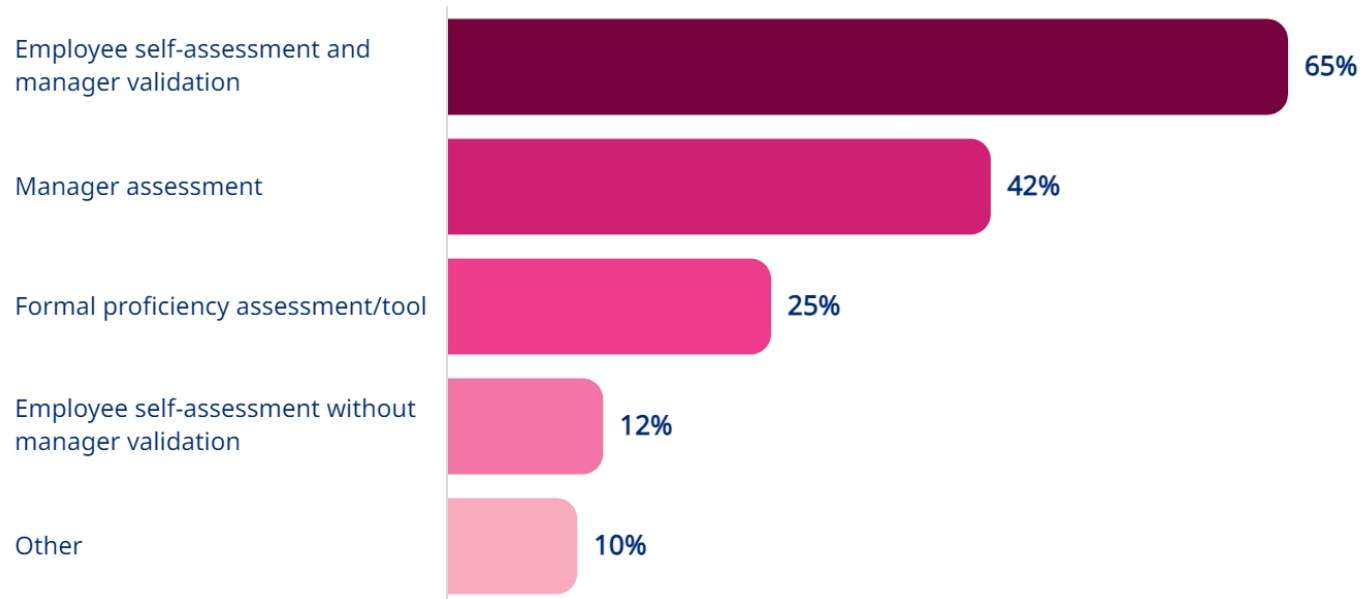
Frequency of skill assessment



## Skills at employee level

### Skills assessment

#### Assessment method



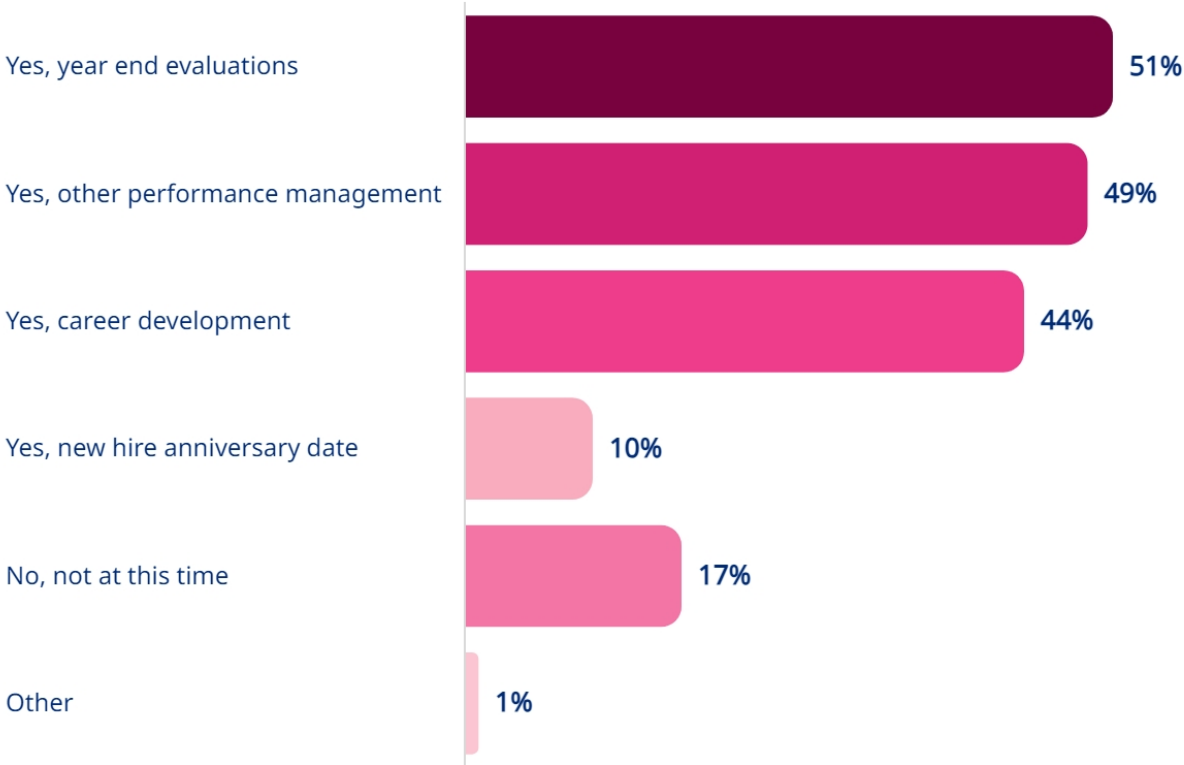
N = 30

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

# Skills at employee level

## Skills assessment

### Assessment tied to specific HR process



N = 18

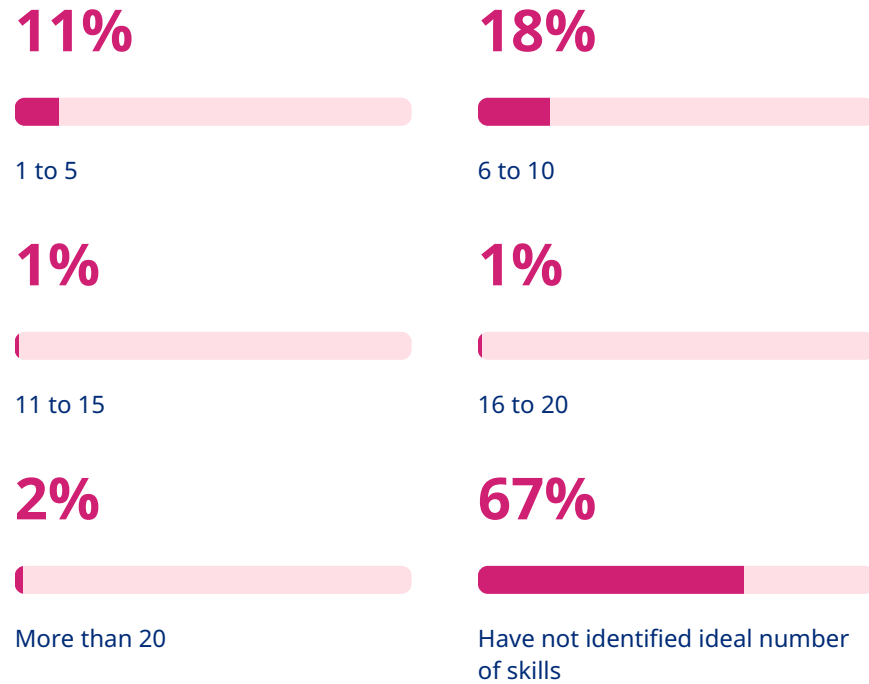
Note: More than one response was permitted; percentages may sum to more than 100%.



## Skills at employee level

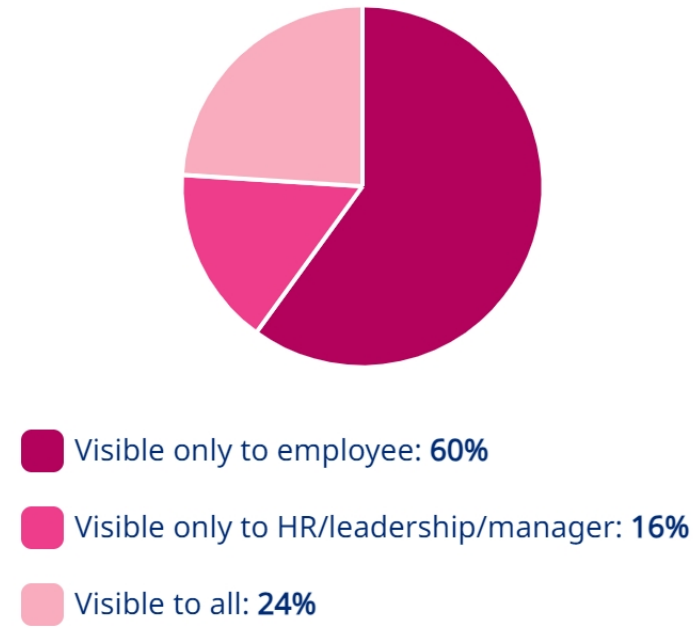
### Skills profile

#### Maximum number of skills in employee profile



N = 50

#### Transparency of skills profile



N = 50

# Proficiencies

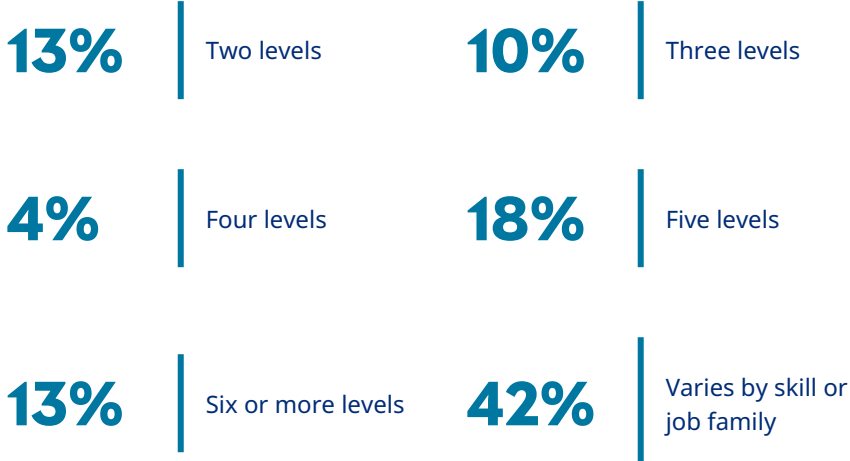
## Company defines and manages skill proficiencies



- Yes, managed centrally: 27%
- Yes, managed locally : 13%
- No: 60%

N = 50

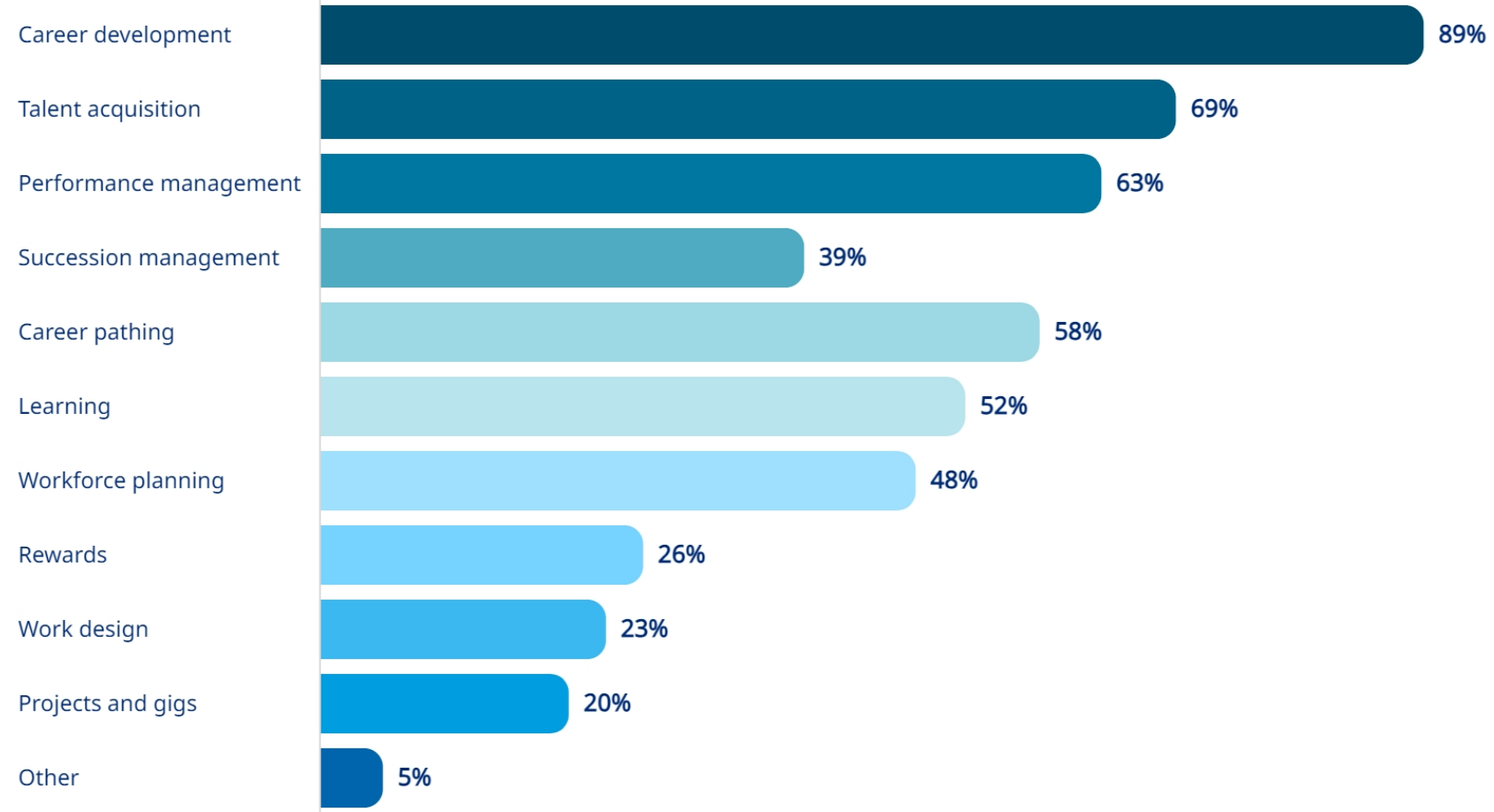
## Application of common proficiency scale across all skills



N = 30

# Proficiencies

## Talent practices that require or incorporate proficiencies



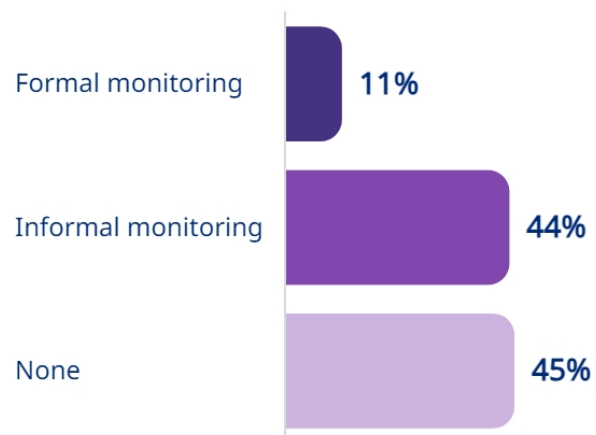
N = 30

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

# Data & tech

## Skills data

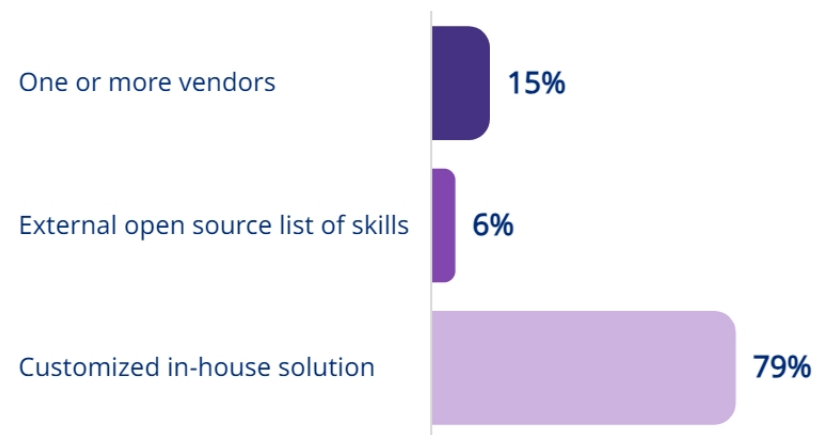
### Monitoring of market demand/availability of skills



N = 50

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

### Source of skills framework



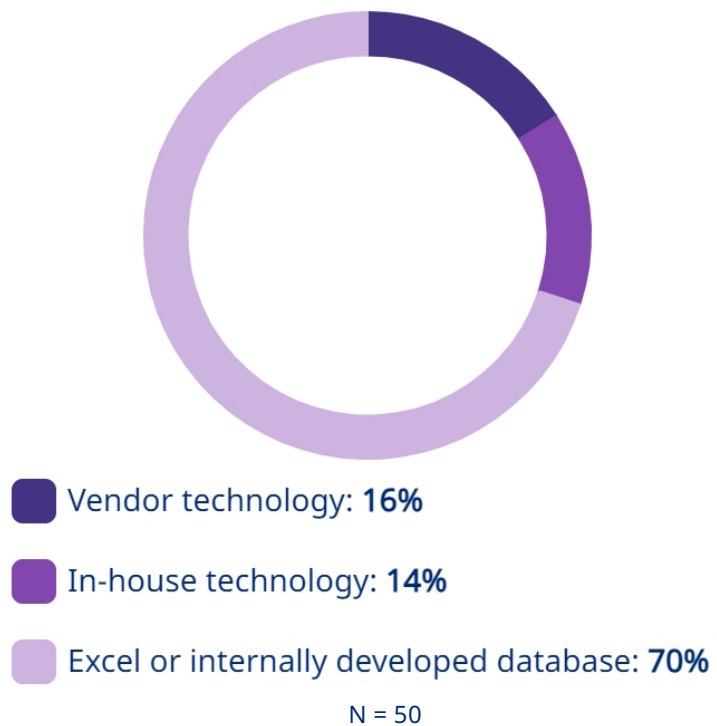
N = 50

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

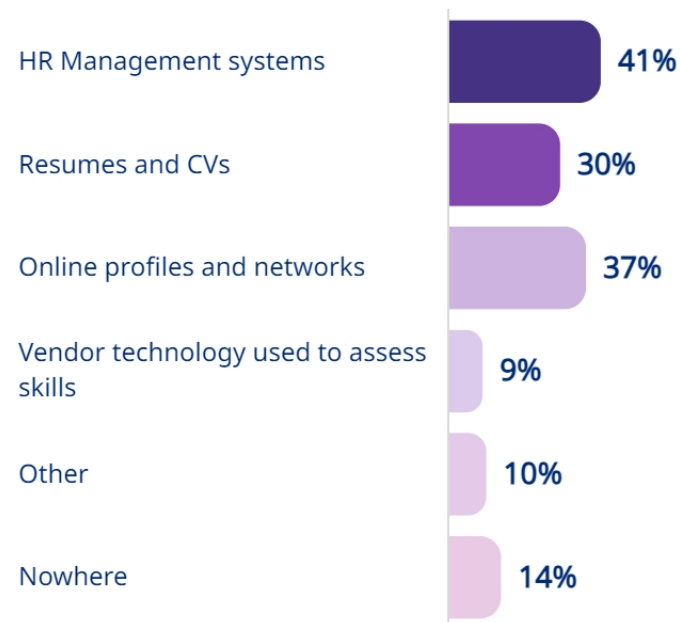
## Data & tech

### Skills technology

Approach to skills technology



Location of current skills data

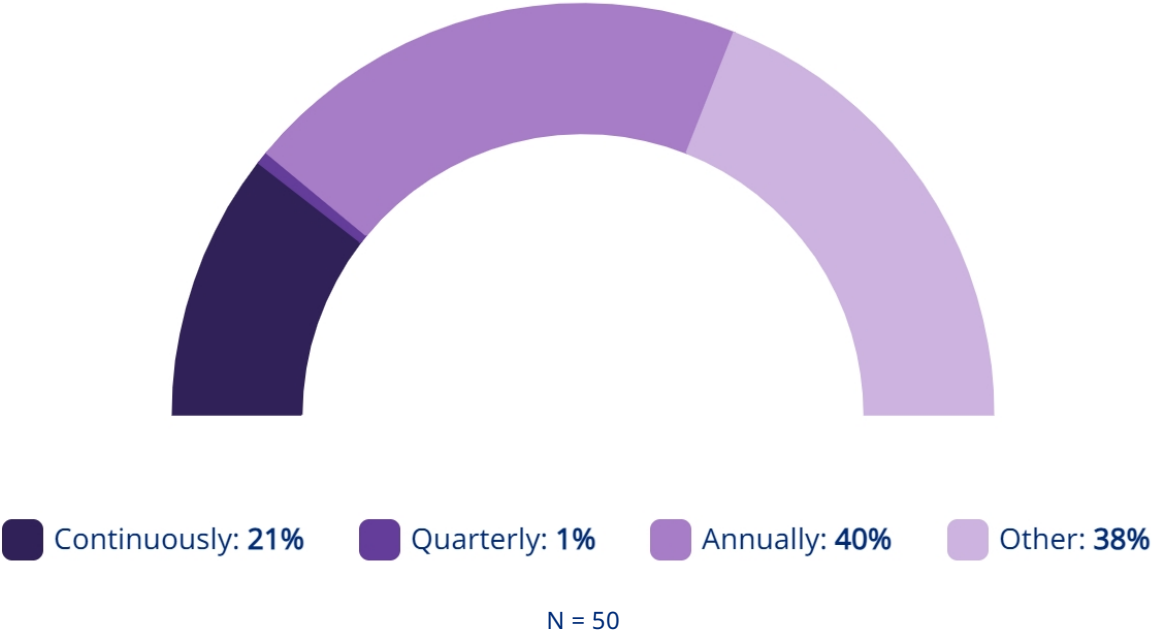


Note: More than one response was permitted; percentages may sum to more than 100%.

Data & tech

Skills technology

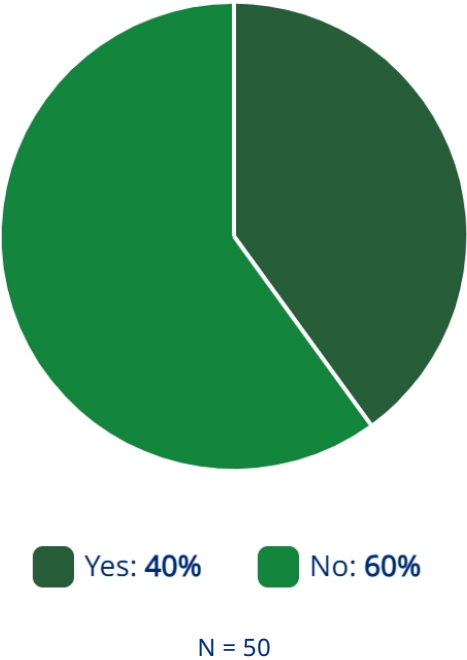
Frequency of skills data refresh



# Skills-based programs

## Company objectives

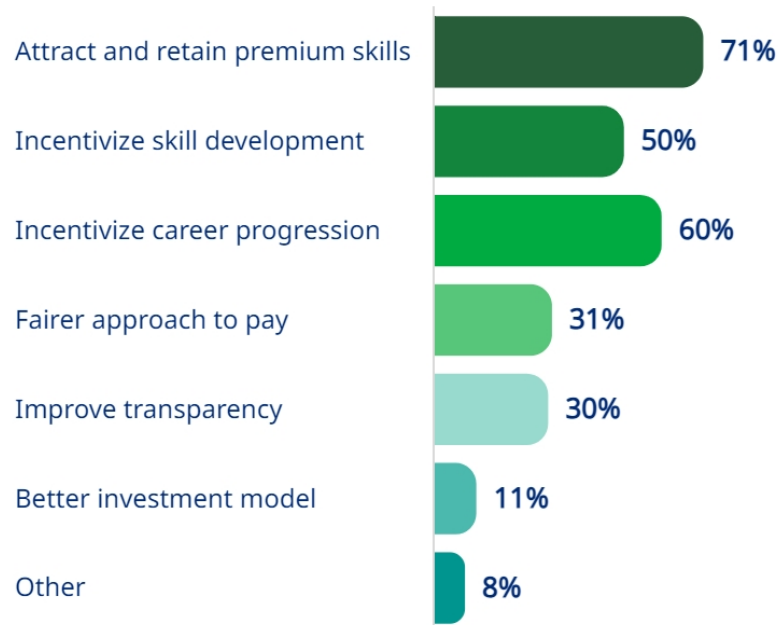
Skill-based reward programs provided



## Skills-based programs

### Company objectives

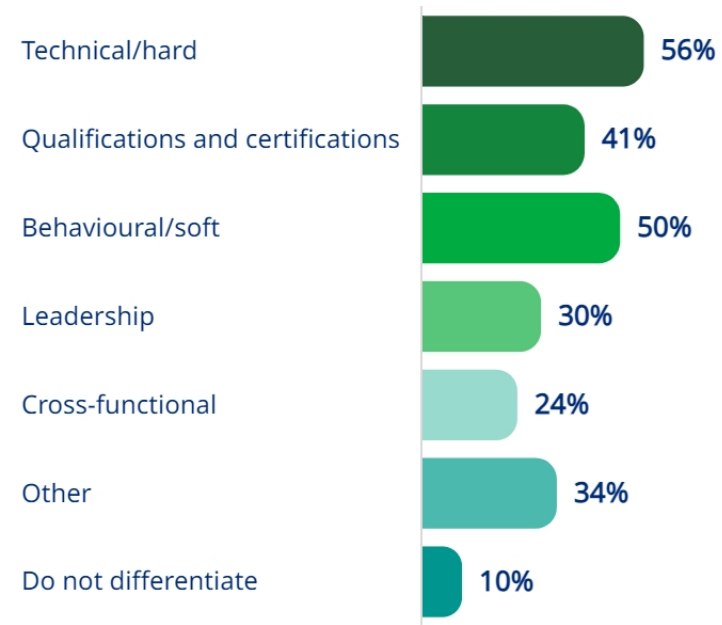
#### Objectives for linking rewards to skills



N = 10

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

#### Skills differentiated with rewards



N = 10

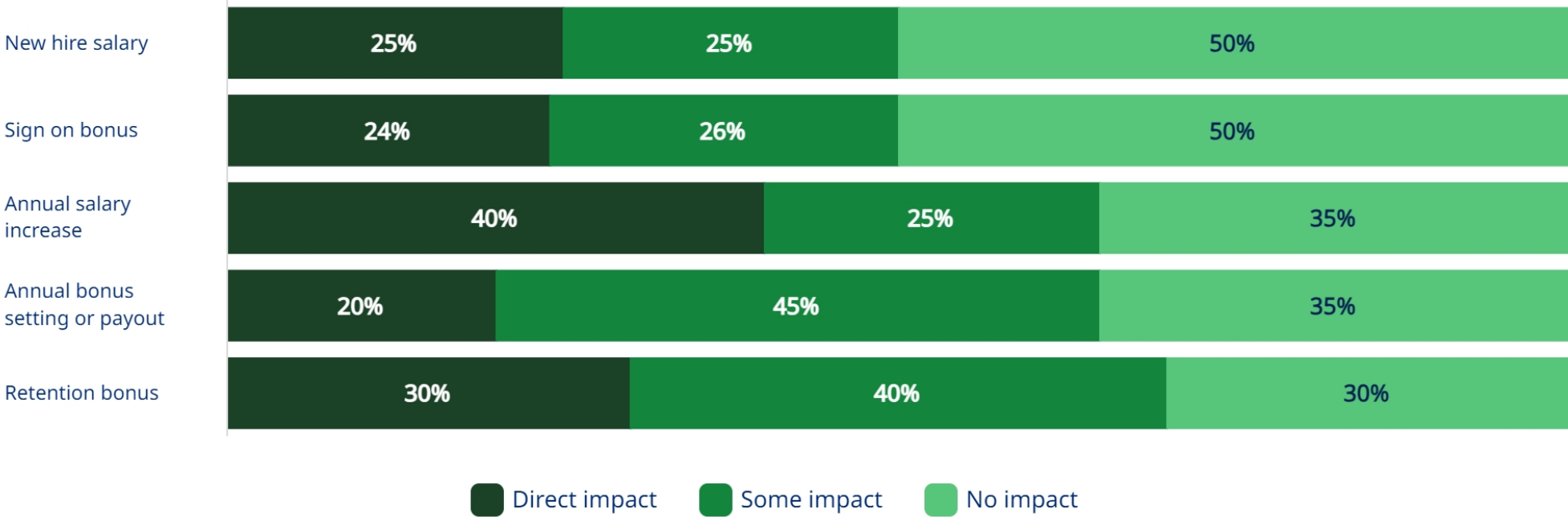
Note: More than one response was permitted; percentages may sum to more than 100%.



# Skills-based programs

## Employee pay and rewards

### Impact of skills on pay



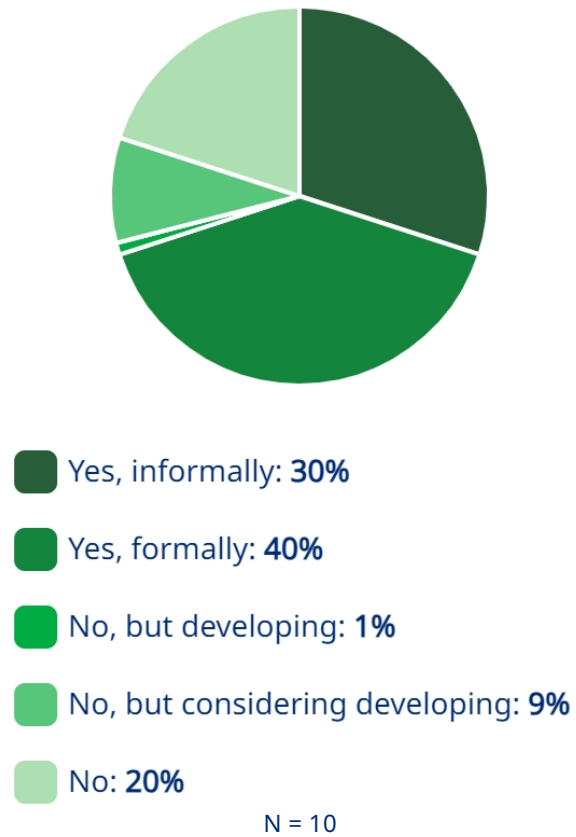
N = 10

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

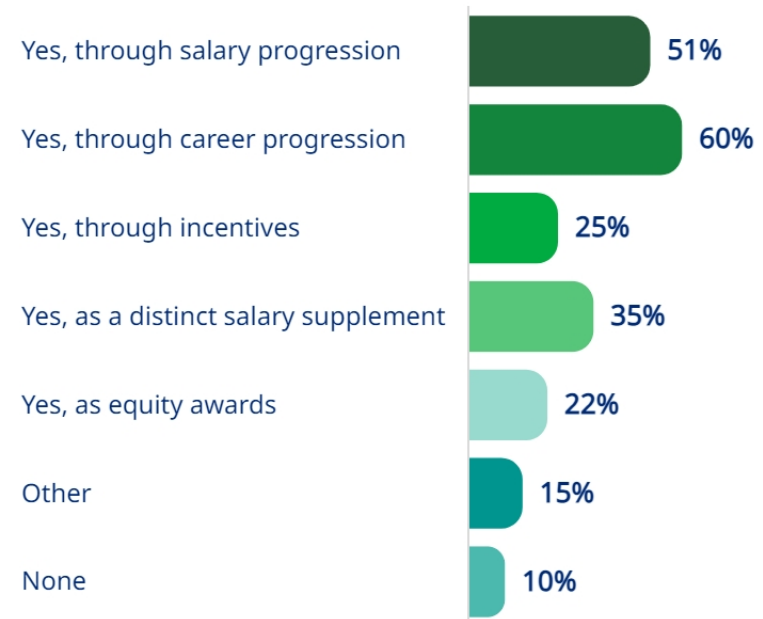
## Skills-based programs

### Employee pay and rewards

Rewards linked to reported skills for new joiners



Rewards linked to development of skills for existing talent



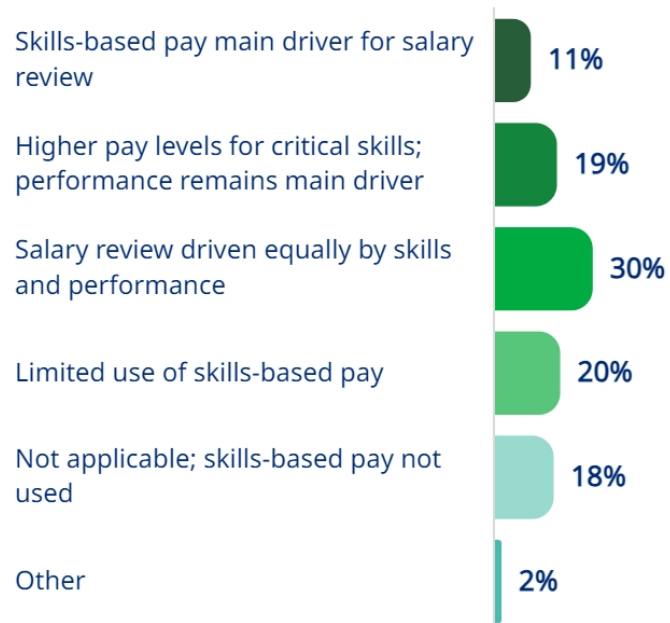
N = 10

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

## Skills-based programs

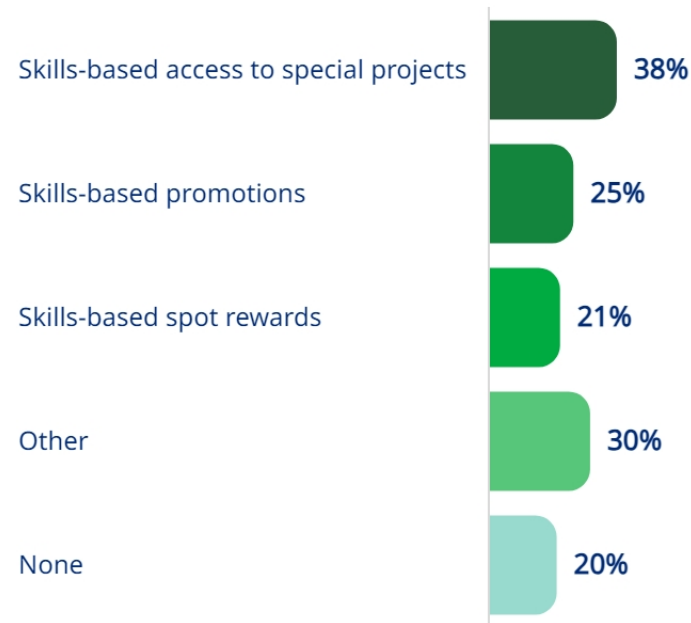
### Development of skills programs

#### Three-year plan for skills-based pay



N = 10

#### Other skills-based programs under consideration



N = 10

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

# Program effectiveness

## Maturity of skills inclusion

### Maturity level for incorporating skills into processes

	Very high	High	Intermediate	Low	Very low
Talent acquisition	2%	31%	40%	17%	10%
Performance management	2%	23%	33%	27%	15%
Career development	4%	22%	37%	27%	10%
Learning	0%	21%	40%	29%	10%
Workforce planning	1%	9%	38%	37%	14%
Rewards	5%	13%	30%	32%	20%
Projects and gigs	20%	9%	27%	20%	24%

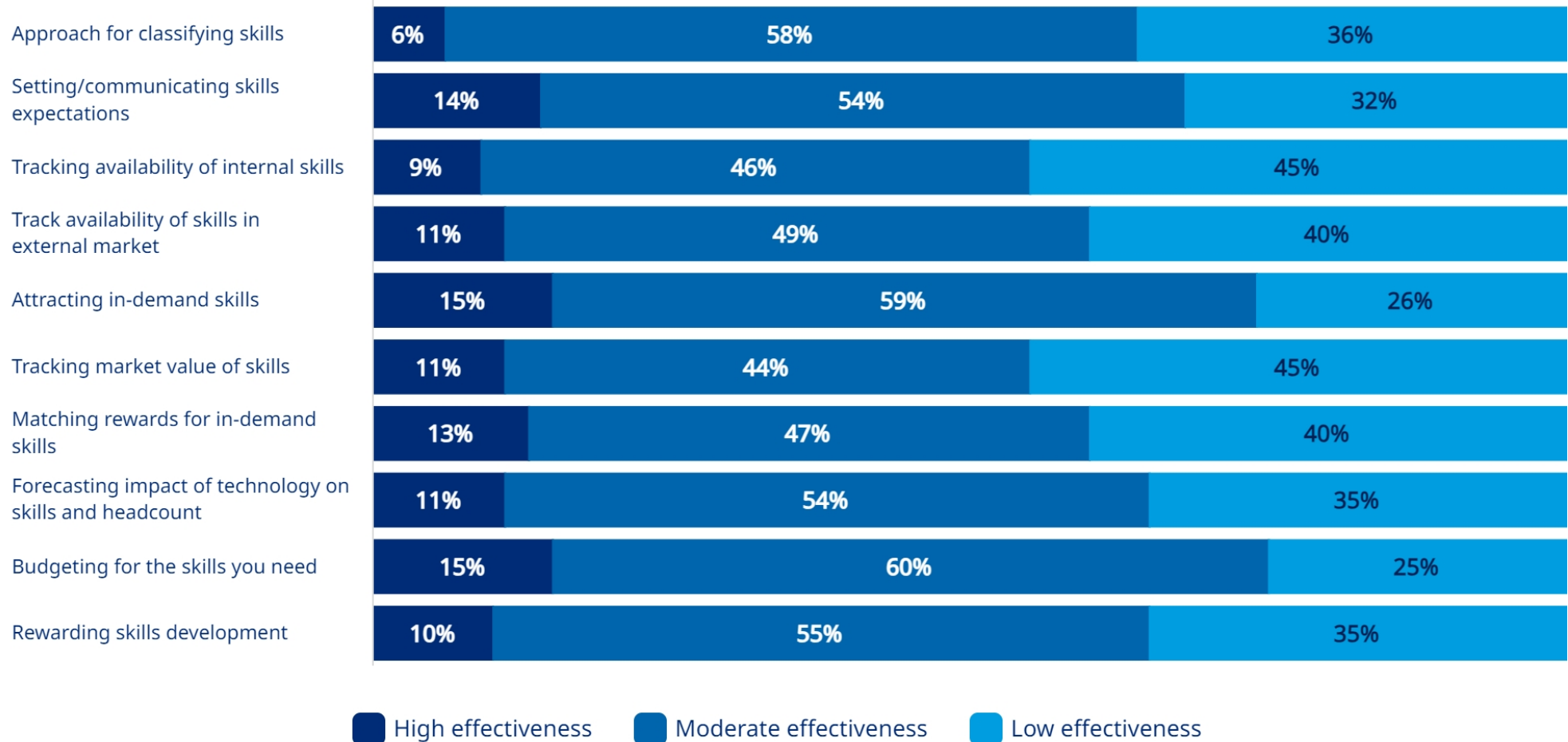
N = 50

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

## Program effectiveness

### Maturity of skills inclusion

#### Level of effectiveness in meeting skills objective



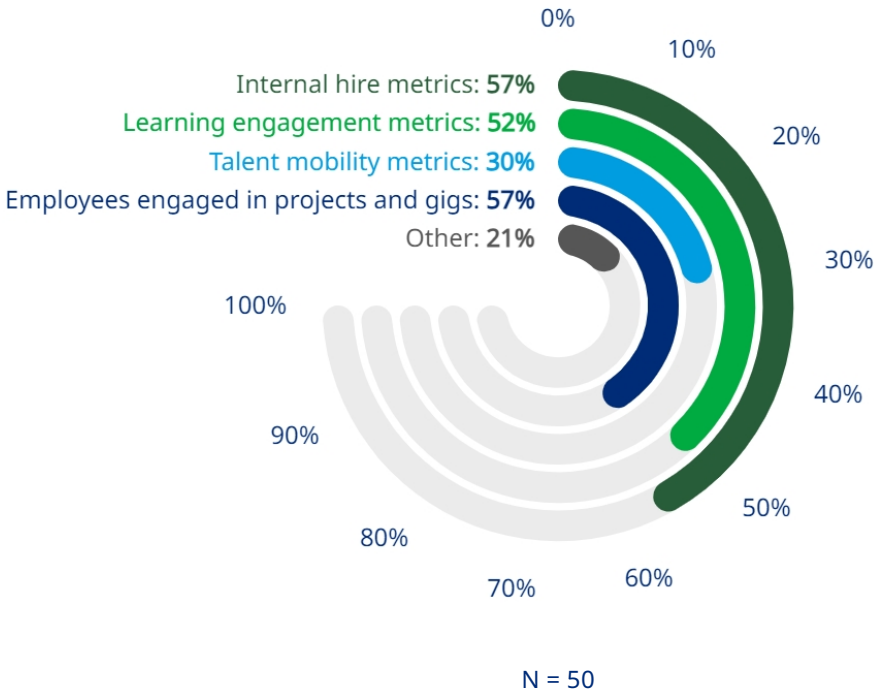
N = 50

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

# Program effectiveness

## Overall effectiveness

Metrics for measuring overall effectiveness of skills-based programs



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

## Program effectiveness

### Overall effectiveness

#### Level of effectiveness for current pay programs to address workforce objectives

	Very high	High	Intermediate	Low	Very low
Workforce agility/flexibility	10%	10%	37%	31%	12%
Workforce productivity	10%	18%	37%	26%	9%
Attract and retain critical skills	4%	23%	45%	23%	5%
Employee development	5%	15%	40%	25%	15%
Employee opportunity	3%	17%	42%	28%	10%

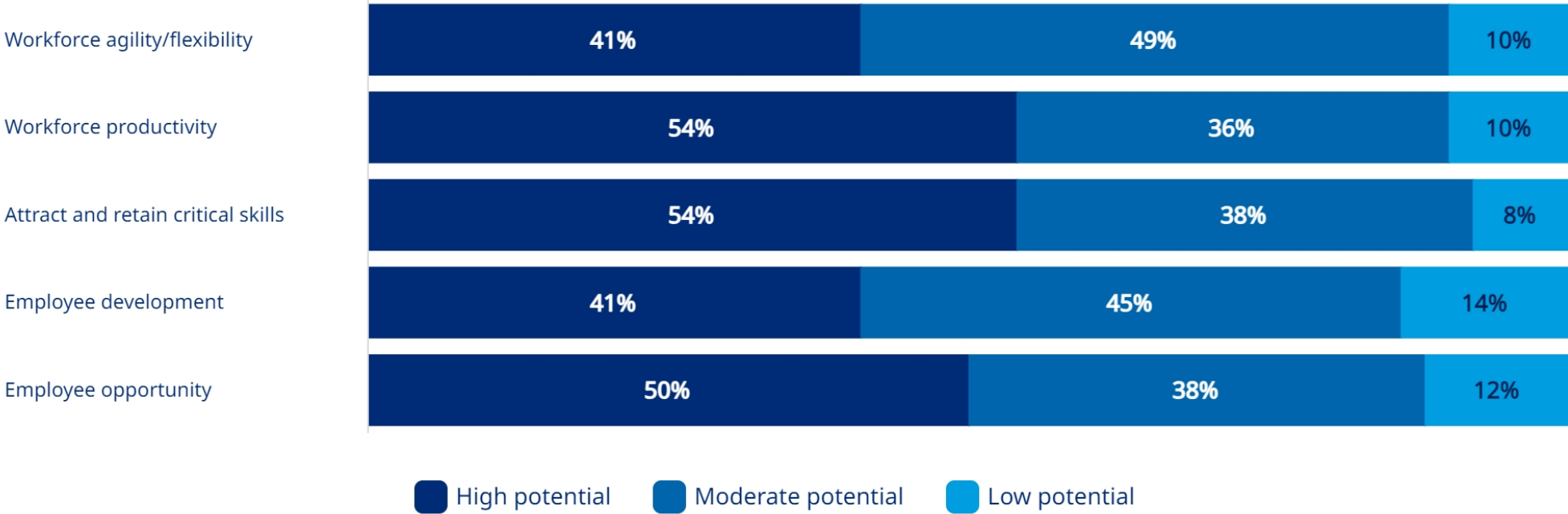
N = 50

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

# Program effectiveness

## Overall effectiveness

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



N = 50

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:

- 2023 Mercer's Skills Snapshot Survey

## Data analysis

### Statistics

The following statistics are presented in this report:

- P25 or 25<sup>th</sup> 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 50<sup>th</sup> 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 75<sup>th</sup> 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, 25<sup>th</sup> and 75<sup>th</sup> 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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