# MercerMarsh Benefits

UK

# Turning people risk into a business opportunity

Two Mercer Marsh Benefits research reports demonstrate why tackling people-related risks is more important than ever.

*The Five Pillars of People Risk: Managing risks for workforce and business resilience* explores the highest impact risks that employers face today. Meanwhile, our *People risk: why the need for change is urgent* research, carried out with the Reward and Employee Benefits Association (REBA) examines how employers are under pressure to reprioritise resilience and sustainability.

For further analysis and UK people risk insights, please download our related report <u>here</u>.

### **Top 5 business challenges facing organisations in 2021**





# Drivers of change

**DEI was a core driver of change**, alongside:

- digitisation
- meeting environmental targets
- increasing focus on purpose
- and being a **responsible** business

## Top 3 people risks

Biggest combined likelihood and impact for businesses over the next three years



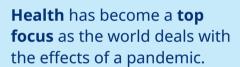
3. Talent attraction, retention & engagement 1. Deteriorating mental health



2. Cybersecurity

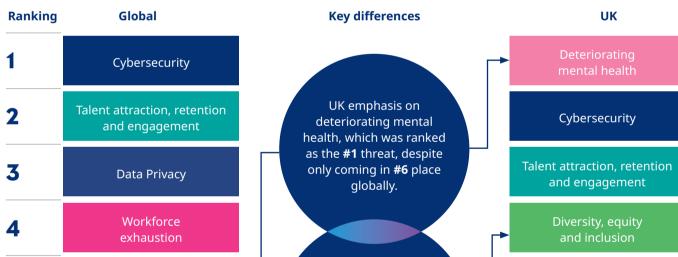
Employers should redesign processes, policies and provisions to mitigate these key risks if strategies aren't robust.

Risk managers could be thinking of claims defensibility for the employer whilst HR may be thinking of maximising employee potential.



But the understanding of wellbeing has **changed**. Employers must **adapt** to stay relevant. Employee benefits can be used strategically to help manage a range of threats while helping protect the workforce and business resilience – read our full '*Five Pillars of People Risk*' report to learn where to start.

### How the UK compares



5	Skills obsolescence	The UK also placed DEI <b>#4</b> and environmental	Skills obsolescence
6	Deteriorating mental health	concerns <b>#8</b> , both risks that did not appear in the global top ten.	Workforce exhaustion
7	Succession and key person risk	UK did not consider communicable health conditions as a top-ten risk. Likewise, data privacy was the third greatest concern globally, but did not appear in the UK top ten at all.	Succession and key person risk
8	Communicable health conditions		Environment
9	Increasing health, risk protection and well-being benefit costs		Misalignment of HR and business strategy
10	Conduct and culture		Conduct and culture

# **Blind spots**

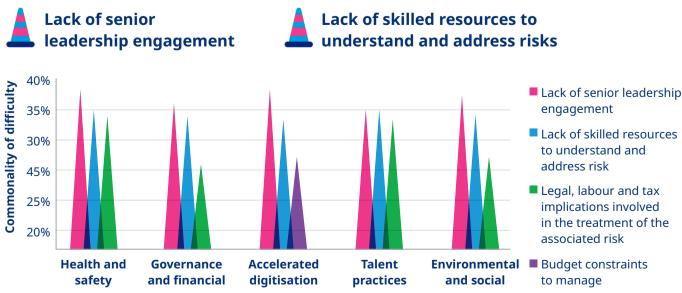
Key risk areas lacking in efforts to address them:

- 1. Talent practices
- 2. Accelerated Digitisation

Read our '<u>People risk: why the</u> <u>need for change is urgent</u>' report to learn how UK HR directors are thinking about some of these threats and for tips and tactical strategies from your peers.

### Top barriers to effectively managing these risks

#### The most common difficulties:





To speak to one of our experts about how your organisation can reduce its people risk then please contact us at <u>Mercer.UK@mercer.com</u>

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