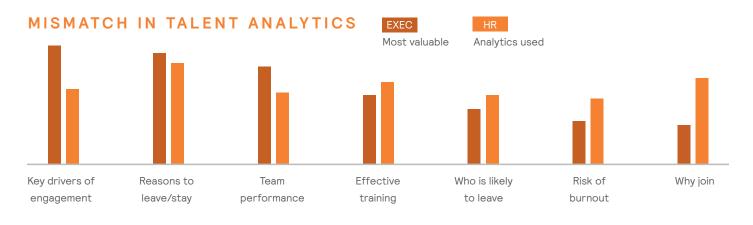


A career framework is a platform on which organizations can pivot and dynamically respond to challenges in both local and global markets by linking vital HR processes, such as workforce analytics, selection and retention, performance management, succession management, rewards, and career management and development. The strategic purpose of a career framework is to define job architecture, build workforce capability, enable performance and optimize costs.

A key output of a career framework is forcing data from all pockets of the organization to migrate to a common platform, enabling more effective modeling and predictive analytics. The career framework can help to build the robustness of the data set and

provide accuracy in mapping employees to the right job architecture by ensuring the data reflects true information about employees. The career framework process also involves building competency models to define the skills needed both today and in the future, which helps to clarify the required development initiatives for talent.

Companies around the world are making slow progress in using analytics to inform human capital decisions and being able to translate data into predictive insights. In fact, Mercer's recent Talent Trends research found there is a mismatch in what analytics HR is using to inform talent initiatives versus what executive leadership perceives to be the most valuable analytics for the business.



Only 27% of executives report that their HR delivers actionable analytics for business leader decision-making.

Source: Mercer 2017 Talent Trends

Core HR processes, such as compensation, analytics, career management and succession, cannot run effectively without a career framework; the framework's consistency is needed to bring meaning. Trying to operate analytics is particularly challenging, as the career framework and its architecture create the "common language" to make sense of the raw data.

MAKE MORE INFORMED DECISIONS

A career framework provides the ability to obtain better workforce analytics and gain insights into such things as forecasting risks and finding the right balance of quantity, quality and location of critical talent. By collecting the right data and having a clear view of the entire talent universe, HR leaders can:

- Identify talent risks growth concerns, a weak pipeline for the future or roadblocks to advancement that cause people to leave
- Identify financial/operational risks loss of revenue from having to slow operations or put them on hold due to employee turnover
- Identify HR practice risks investing in the wrong people or overspending caused by unpreparedness and a lack of knowledge about which programs work and which do not
- · Analyze ROI to determine the impact of having the right people in sales, customer satisfaction scores, etc.
- Analyze turnover to identify what causes high-potential employees to leave
- Analyze training to clarify whether investments in training cause subsequent increases in engagement scores, sales performance, customer satisfaction, operational performance, etc.

This information from the career framework allows employers to mitigate risks, have a stable framework to benchmark pay and prepare the organization for the future state, equipping leaders with the right insights to make more informed decisions.



A CASE IN POINT:

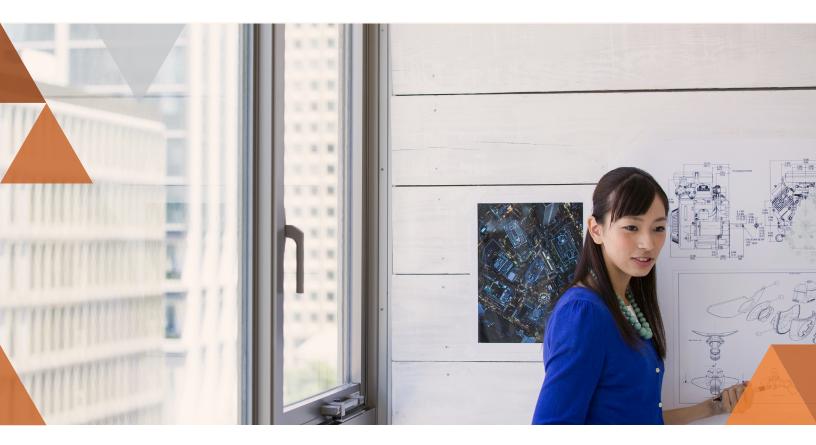
Technology Startup Moves to the Cloud, Implements a Career Framework

Mercer partnered with a New York-based technology startup to help move its home-grown systems to the cloud using Workday as its HRIS SaaS. The organization had achieved year-over-year growth since inception and was ready to scale up its foundation to be better positioned for future expansion. The company lacked a rationalized pay structure and needed to define a job architecture since it had grown too large to continue to improvise. A clearly defined structure was needed for roles and skills to allow for better recruiting and training. In short, the organization needed a career framework to provide guidelines along with an HRIS to provide governance.

The migration to the cloud involved putting in place rigorous processes for such things as how to place employees and link them to structured job families, grades and relationships. One of the key outputs derived from putting a career framework in place during the

cloud transition was that it provided a more disciplined platform for growth and a structured approach to managing and interpreting data. This meant that development dollars could be allocated more precisely and engagement and turnover levels could be tracked with different employee population groups as well as overall. The organization gained a rationalized approach to pay decisions and secured a job evaluation process for the senior team. In addition, employees were empowered with transparency and line of sight to career progression opportunities, and the company received benchmarking data for pay and performance.

In this example, putting a career framework in place provided a foundation and structure that will help with further analytical investigations and enable the company to scale for growth.



LEAP FORWARD

Many HR leaders know that implementing a career framework can provide a platform to achieve HR transformation and deliver the necessary infrastructure to make business strategy more effective. Leading companies around the world understand this premise and act on it. For them, a career framework provides a valuable platform

for the execution of their talent management model to accelerate current and future business success. When built well, a strategic career framework delivers many tangible benefits for the organization as well as for its managers and employees. Leap forward with a career framework and start building for that unknown future.

WANT TO LEARN MORE?

We have many resources on important career framework topics to help accelerate your business performance:

- Executive Summary: 2020 Is Coming: Is Your Career Framework Ready?
- Point of View: Building for an Unknown Future: Leap Forward With a Career Framework
- Article Series: Leap Forward With a Career Framework
 - Whose Role Is It?
 - Managing for Change
 - In Pursuit of Functional Excellence
 - Establishing Your Foundation: Rationalizing Your Job Catalog When Moving to the Cloud
 - Empowering a Thriving Workforce With Digital Career Pathing

Download the articles: https://www.mercer.com/our-thinking/career/building-for-an-unknown-future-leap-forward-with-a-career-framework.html

THRIVING IN AN ERA OF DISRUPTION

What distinguishes exceptional organizations? They have thought carefully about how to create work environments that meet the full range of their employees' needs to unlock the potential of their workforces — one employee at a time. Career frameworks can amplify the effects on employees' perceptions about how committed a company is to their growth and contribution. Although many organizations are still searching for ways to merely survive in today's complex world, these exceptional organizations have learned how to thrive.

Mercer's recent research solicited responses from more than 800 HR and business leaders across 57 countries to learn "what it takes to thrive" in their workplaces. This is what we learned:

THRIVING ORGANIZATION

Success redefined
Resilient and agile
Positive societal impact

THRIVING WORKFORCE

Diverse and adaptive
Inclusive and growth focused
Committed to well-being

THRIVING INDIVIDUAL

Growing and contributing
Empowered and connected
Healthy and energized

Learn more: https://www.mercer.com/our-thinking/thrive.html

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