



MERCER ADAPTIVE WORKING™

A NEW '5D' SOLUTION FOR FLEXIBLE WORKING

For both employees and employers, flexibility will be a key feature of work in the coming years. However, where flexible policies exist, our recent survey shows they are two dimensional — limited to where and when people can work. This framework is too limited to define the full scope of future flexible working. Companies are still struggling with how to flex job content and how roles are resourced.

This is why Mercer has developed a strategic approach to workplace flexibility that is based on a clear and structured methodology to deliver practical and repeatable results. We think in 5D. These five dimensions are when work is done, where is work done, what work is done, how work is performed and who does the work.

The outcome will be a framework for workplace flexibility that enhances your employee value proposition and minimizes the risks of flexible working that we have come to know. We also know that a well-implemented workplace flexibility framework has a clear link to improved physical and mental well-being of employees.

On the following page Mercer Adaptive Working™ describes a set of tools and processes that help organizations manage workplace flexibility. The toolkit contains six modules.

A number of trends have the potential to reshape the world of work as we know it.

Organizations have to become even more agile and flexible to react quickly to changing markets and new technological developments.

Some jobs will “disappear” or, rather, be automated. Others will demand more flexibility regarding how, when and by whom they are done.

Flexible working is also now the #1 benefit looked for when applying for a new job. New lifestyles simply need this to function well.



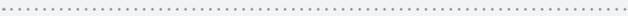
MODULE 1. DEFINE YOUR ORGANIZATIONAL FLEXIBILITY QUOTIENT (MERCER FQ™)

Define your flexible working goals and what success will look like:

- What principles do you want to follow when it comes to workplace flexibility?
- Where do you see yourself in the future compared to today and to the market?
- What direction do you want to take to achieve a flexible workforce?

Workshop these challenges with senior leaders to define and align a flexible working strategy that is based on a pre-prepared analysis of input collected from around your organization.

Adaptive Working will help you understand the situation today and the ideal state you want to achieve. Importantly, it will challenge your organization's assumptions about flexible working.



MODULE 2. MEASURE THE ROI

Adaptive Working will calculate the potential cost savings you can make by moving to a more flexible working environment. Based on current flexibility and company related inputs, we can model potential savings under categories such as:

- Turnover: reduced replacement costs due to lower turnover
- Payroll costs: the impact of employees choosing flexibility over a salary increase
- Productivity: increased productivity through higher engagement
- Facilities: significant savings on a real estate budget through the rationalization of work space to better meet the needs of an Adaptive Workforce

The ROI calculator will provide you with objective financial evidence to support your business case.



MODULE 3. LINE MANAGER FQ

One of the key stumbling blocks in implementing flexible working is the lack of consistency between how line managers apply guidelines. This can result in some very different experiences for employees, and some may even feel like their line manager can't be trusted.

Adaptive Working will plot the degree of trust required for each role and show the results for jobs relative to one another. In addition, this module enables you to:

- Assess the level of understanding of line managers and discover their key concerns about managing flexible working – do they have the “will and the skill”?
- Unpack attitudes to promoting and rewarding part-time or remote workers
- Help your line managers buy into an objective methodology that gets them comfortable with this all-important issue of trust



MODULE 4. EMPLOYEE FQ

Where are your employees in all of this? What do they want and need from the organization right now? This module will assess:

- The When, Where, What and How questions of their own jobs. They can often be the most creative source of inspiration for how more flexibility might work for their jobs, so this is data well worth collecting.
- What is their current experience of flexible working so far at your organization? Are they comfortable that line managers understand and apply approaches fairly?
- Would they welcome a more open dialogue about personal commitment levels at times when flexibility is most needed?

The Employee FQ module of Adaptive Working will provide a valuable feedback loop to the organization so you can ensure you are getting the Organizational FQ goals right.



MODULE 5. JOB FQ

To see which jobs are most flexible and, most important, how they can be flexed, Adaptive Working will evaluate your current jobs based on five dimensions: when work is done, where work is done, what work is done, how work is performed and who does the work. The evaluation will include elements such as:

- FQ score by role, within role functions and by career level
- An assessment of which dimensions are most flexible for each job
- Commentary on how easy the job is to be outsourced or replaced by a freelancer or robot (measured by the “Who” dimension)
- A recommended course of action for each job

The output will be presented in the results dashboard, which will enable you to understand at a glance how to apply flexibility and define successful resource planning.

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MODULE 6. FQ DASHBOARD

By this stage, you will have enough data to compare with your wishes and goals to determine which actions need to be taken in the short and long term. The FQ Dashboard sets out all the results of the previous modules and prepares a tailor-made action plan, which could include:

- Developing policy guidelines and communications programs
- Changing resource models, future workforce planning and impact on office space needs
- Understanding the impact of potential automation of roles and tasks
- Training and development needs as jobs change
- Utilizing line manager and leadership development programs
- Designing or re-designing career frameworks and jobs
- Rethinking rewards and flexible employee benefits
- Conducting engagement studies and using tools to examine and measure the impact of new approaches
- Rethinking and launching a new employee value proposition
- Bringing together HR and real estate/property stakeholders to design an Adaptive Working change program, centered around the employee

The results from Adaptive Working will provide you with an environment that is fit for the future of work, workers and the workplace.

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The Mercer Adaptive Working suite of tools provides an objective way to help your organization succeed with flexible working. Adaptive Working enables you to analyze your:

- Organizational FQ
- The ROI
- Line manager FQ
- Employee FQ
- Job FQ



These modules provide objective data and results in a simple but comprehensive dashboard that enables you to understand the impact of flexible working at a glance, and develop an action plan for change that delivers work/life balance and successful flexible working – the #1 benefit now looked for when applying for a new job.



ADAPTIVE WORKING LOOKS AT FLEXIBLE WORKING IN FIVE DIMENSIONS:

- **When** work is done – the hours and timing and the discretion to change
- **Where** work is done – the location and ability to vary this; Infrastructure needs
- **What** work is done – to vary the job content, the ability to share or exchange tasks
- **How** work is done – the need to vary the intensity of work, to scale up or down effort based on workload changes
- **Who** does the work – the ability to distribute beyond the traditional workforce – for example, to freelancers; potential for automation

Exploring all these dimensions provides the best evidence for deciding the right course of action.

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For more information, please send an email to:
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