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Maximizing the return on your HR delivery model

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www.mercer.com

Globalization and its impact on emerging markets

Challenges that multinationals face in Asia

Diversity challenges...

Shortage of key talent and skills

Changing workforce demographics

Increasing employee engagement and retention

... culture, language and socio-economic development



Complexity challenges...

Cost control & risk management

Globalizing business models

Translating emerging market economic growth into top line business growth

Continuous investments on process improvements

... different legislation, market size and sophistication, and varying states of economic development

Agenda

- Key research areas
- Findings and implications
- Mercer's global benefits outsourcing vision
- Q&A



Section 1

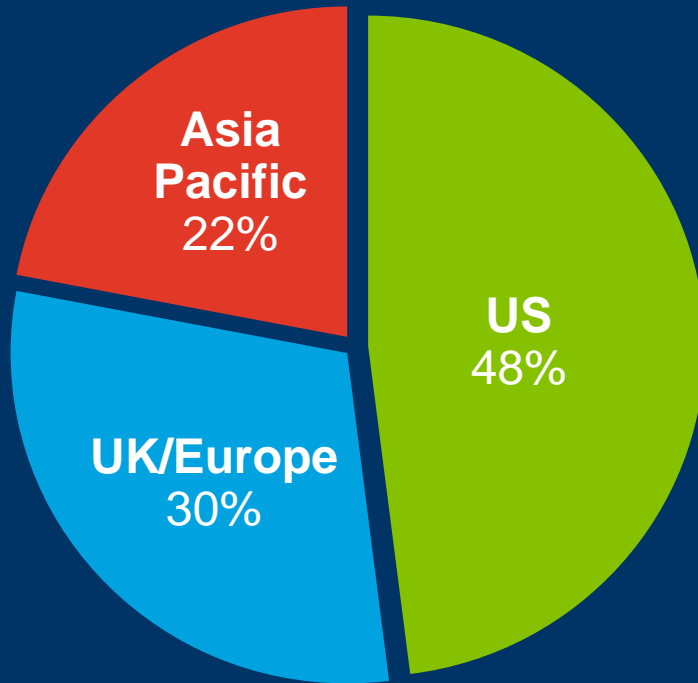
Key Research Areas

Key research areas

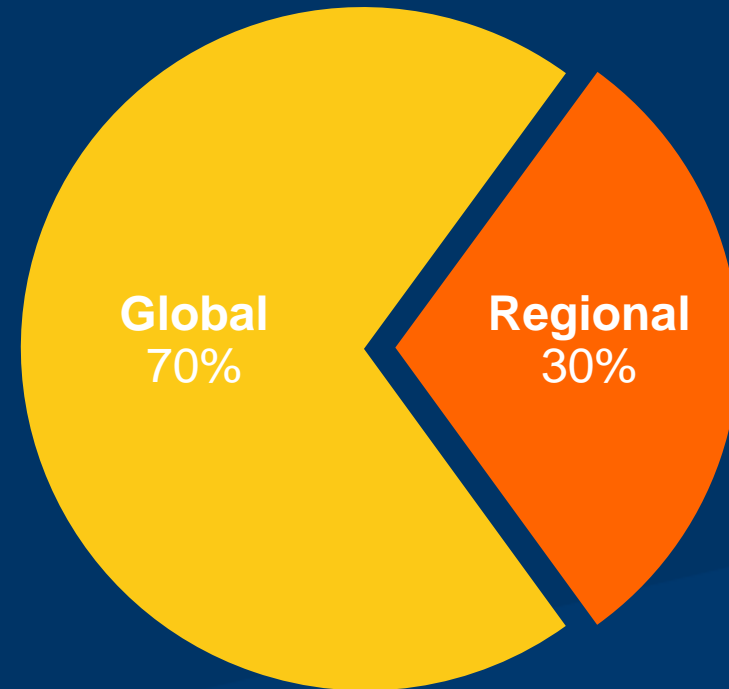
- Top business issues
- Evolving role of HR
- Key HR challenges
- Potential regional and global solutions

60 interviews

By region



By role



Mercer/Harvard Business Publishing's white paper



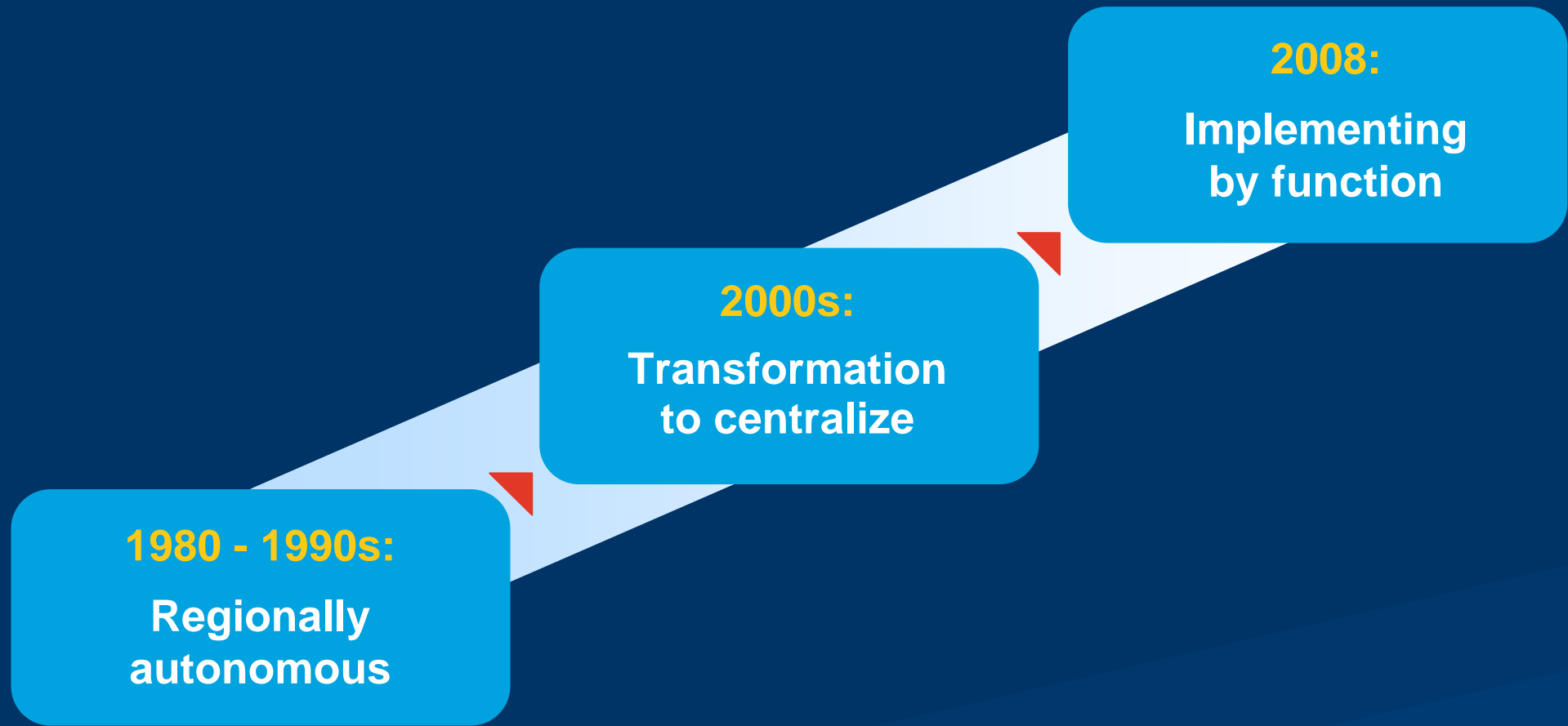
Available Now



Section 2

Findings and implications

Multinationals are undergoing major transformation

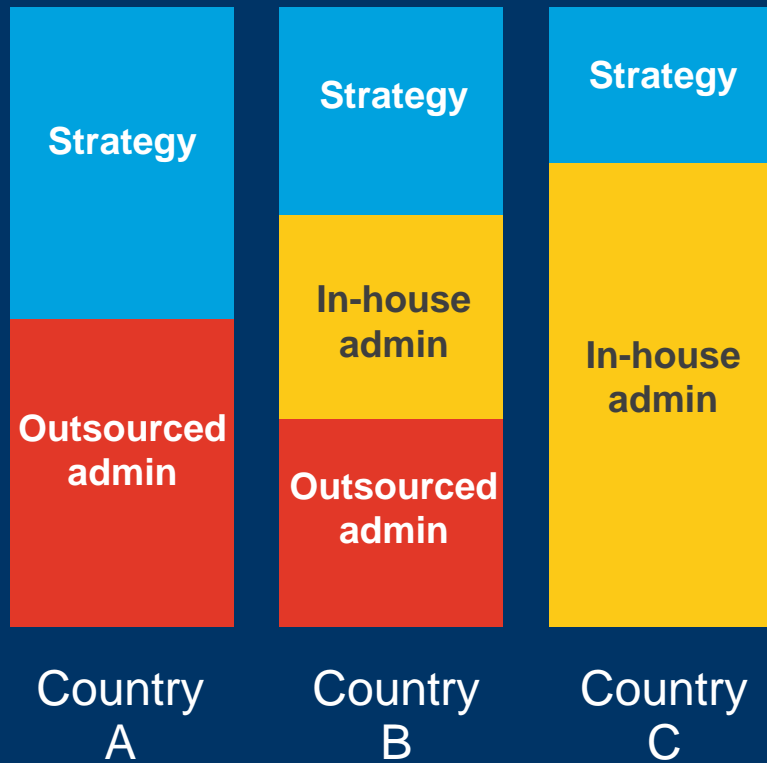


Drivers accelerating this change

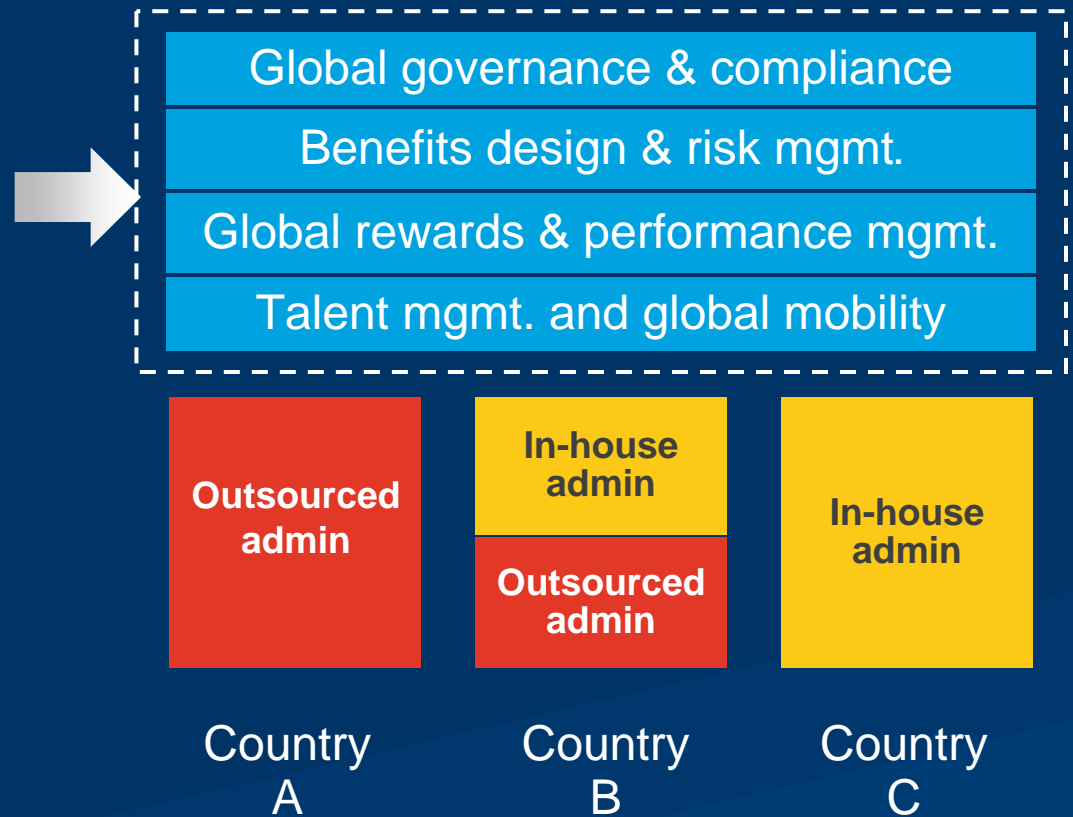
- Shift in employee demographics
- Increased regional and global mobility
- Governance and compliance requirements
- Pressure to improve margins

Strategic imperatives for HR are becoming global...

HR traditional model



HR evolving model

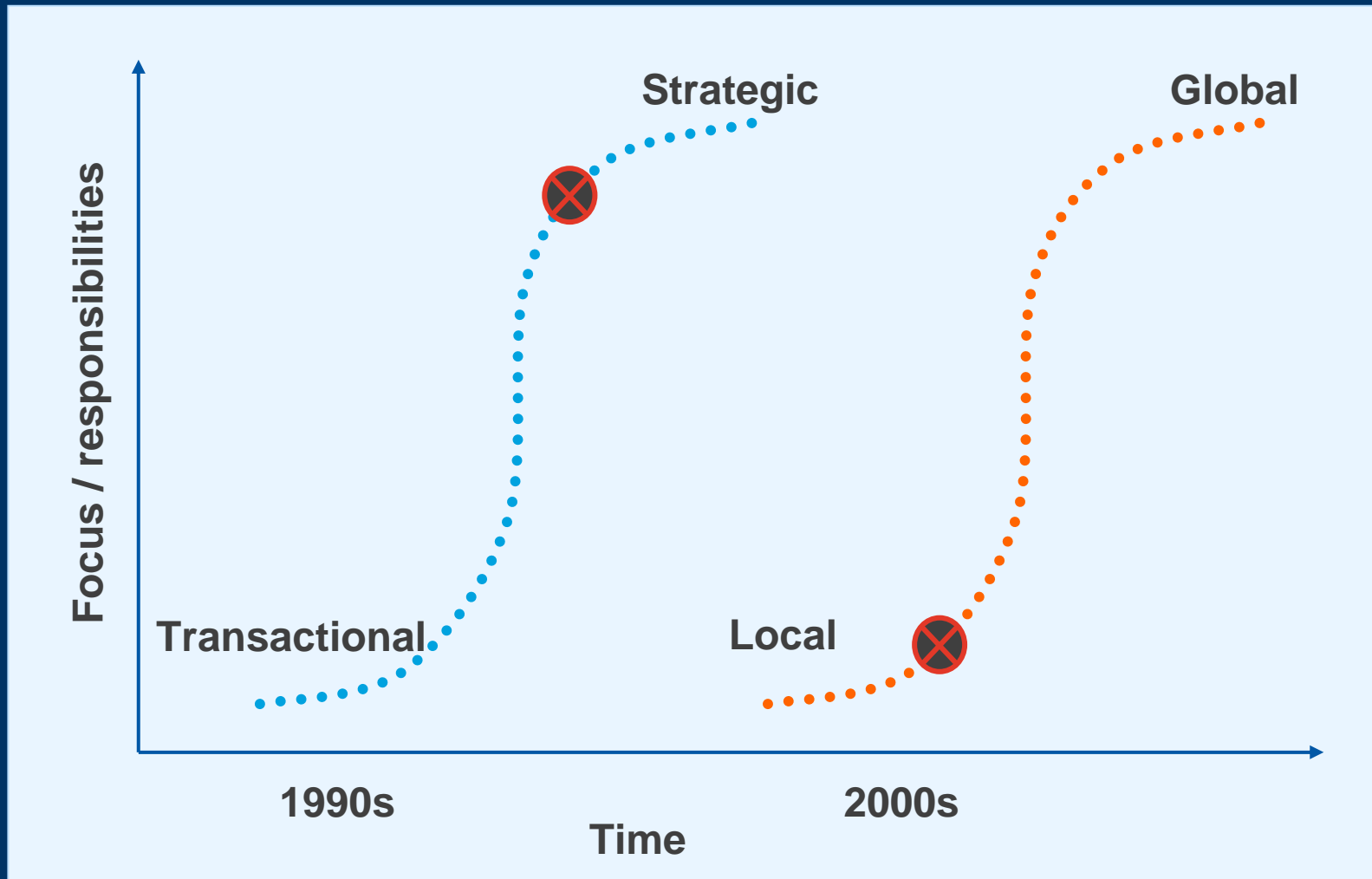


... yet administration remains local

Client example: Retirement benefits only

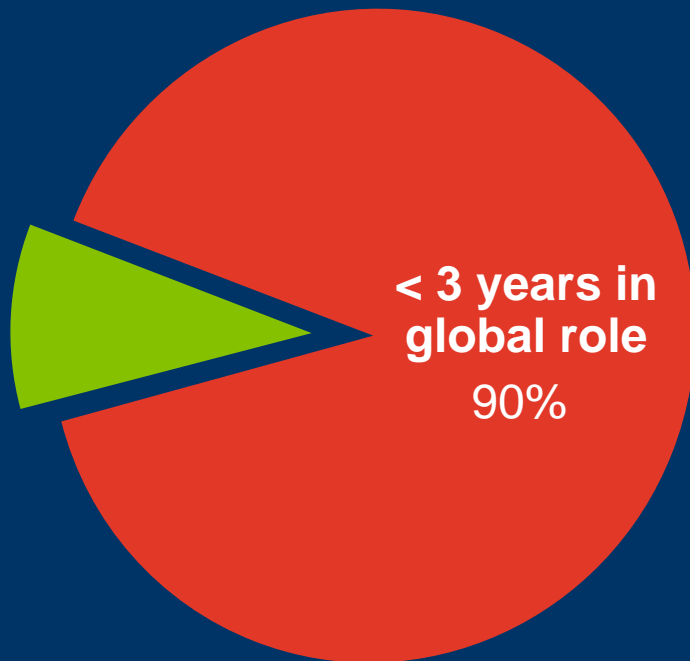
	Region					
	US	Canada	UK	Germany	Australia	Asia
DB	Mercer	Watson Wyatt	Gissings Consultancy	Bohm Consulting	Mercer	In-house
DC	T. Rowe Price	Sun Life		Insurance co Insurance co Insurance co		In-house In-house In-house

HR executives face a new steep learning curve

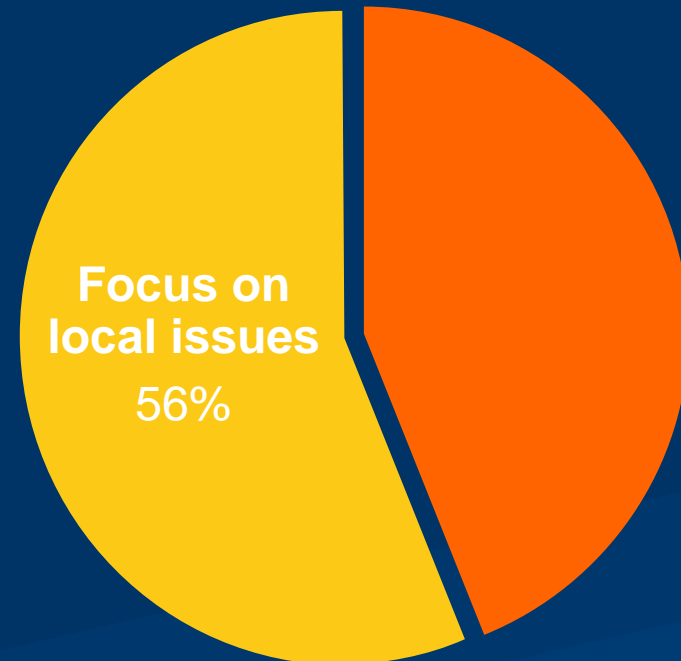


Many are new to global roles, but continue to focus locally...

Tenure in role



Responsibilities



...and are just starting their regional and global benefits journey



HR leaders face significant regional and global challenges

Regional and global data fragmentation

- Decentralized systems
- Inconsistent employee data

Struggle for standardization

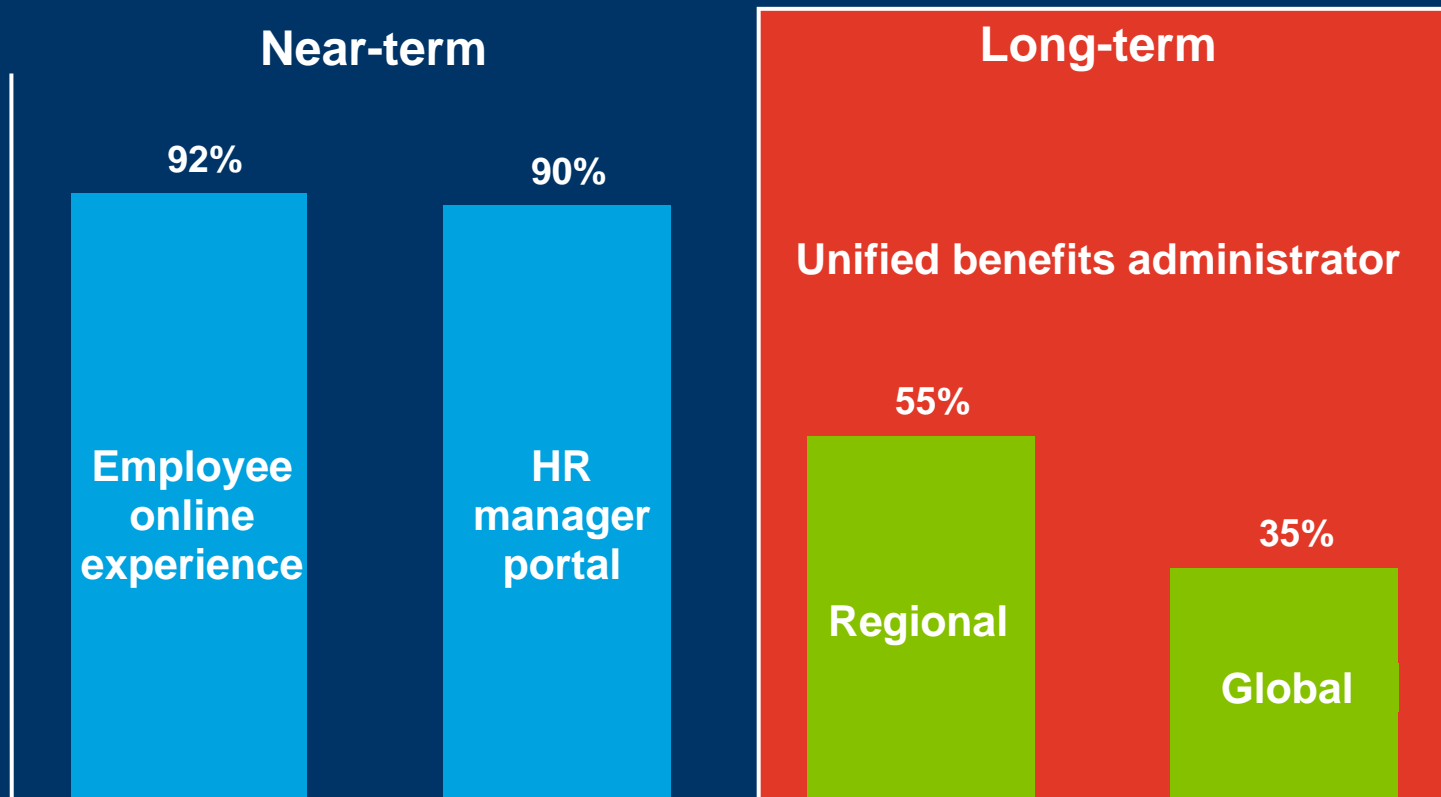
- Regional and global governance and compliance
- Global mobility
- Employee self-service

Immature regional and global vendor market

- Hard to find regional and global providers
- Inconsistent service

Multinationals are looking for regional and global solutions

% of respondents highly interested



The value of regional and global solutions

Near-term

Employee online experience

- Better services for employees
- HR cost efficiencies

HR manager portal

- Intelligence for workforce strategy
- Benchmarks for recruitment and retention
- Mitigating compliance risk

Long-term

Unified benefits administrator

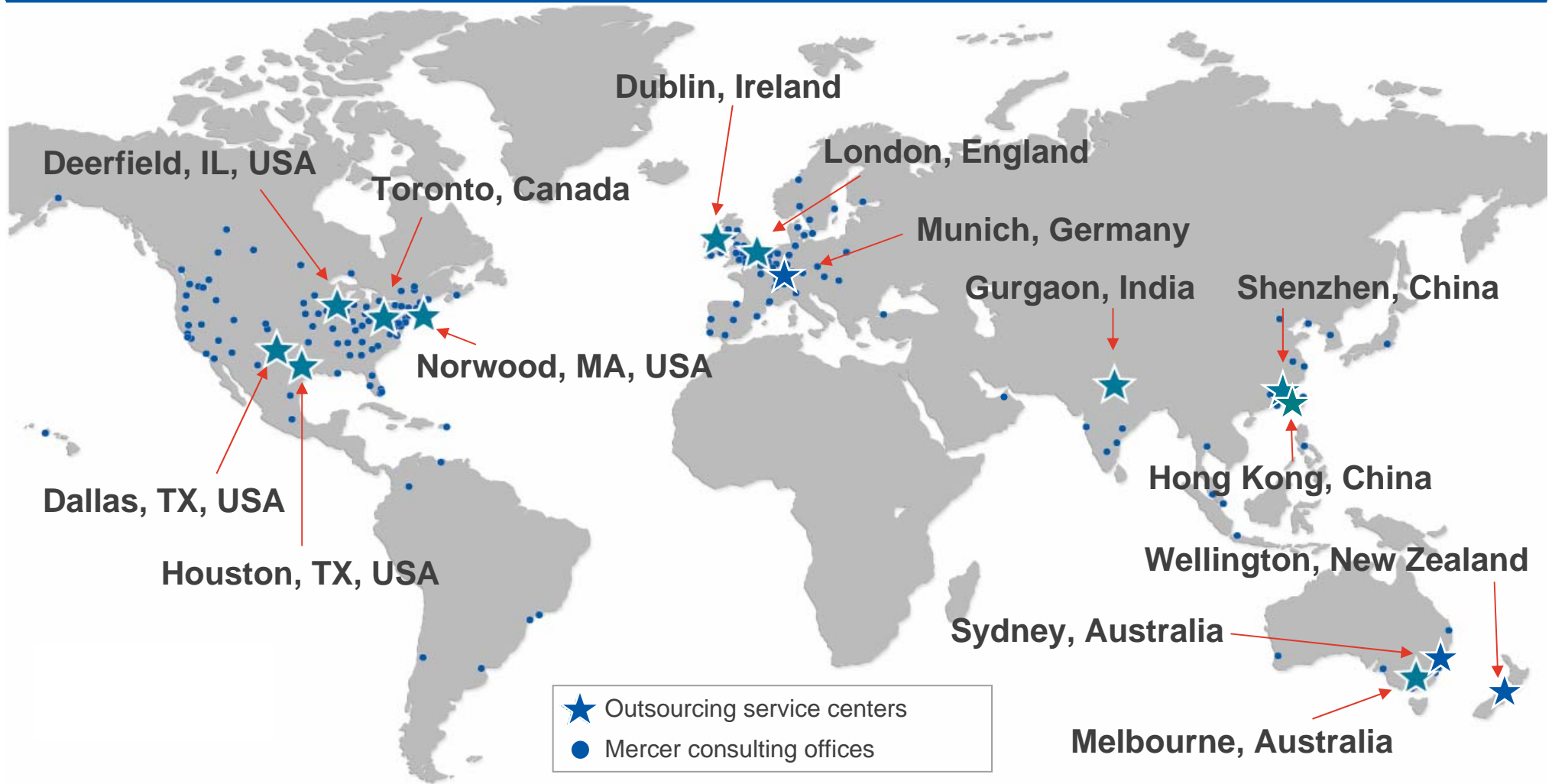
- Consistent quality of service
- Single point of contact
- Economies of scale



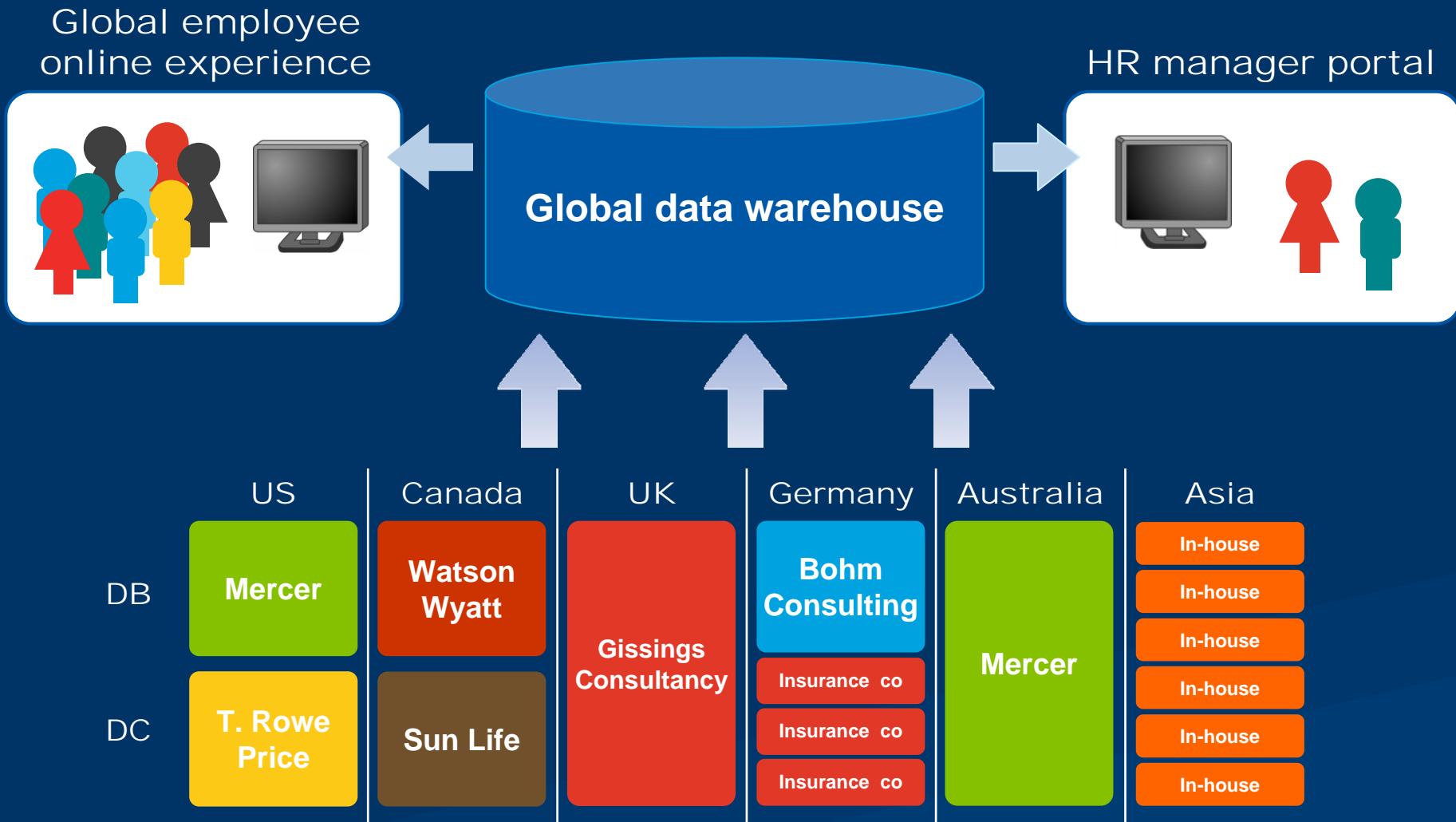
Section 3

Mercer's regional and global benefits outsourcing vision

Mercer: Building regional and global capabilities



Mercer's regional and global benefits outsourcing vision



Global employee online experience

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Employee Stock Purchase Plan: \$60,000.00
Stock Portfolio: \$28,000.00
Total: 146,275.55

Your Annuity Balances
Pension Plan: \$397.53 (Monthly)

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Questions?

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