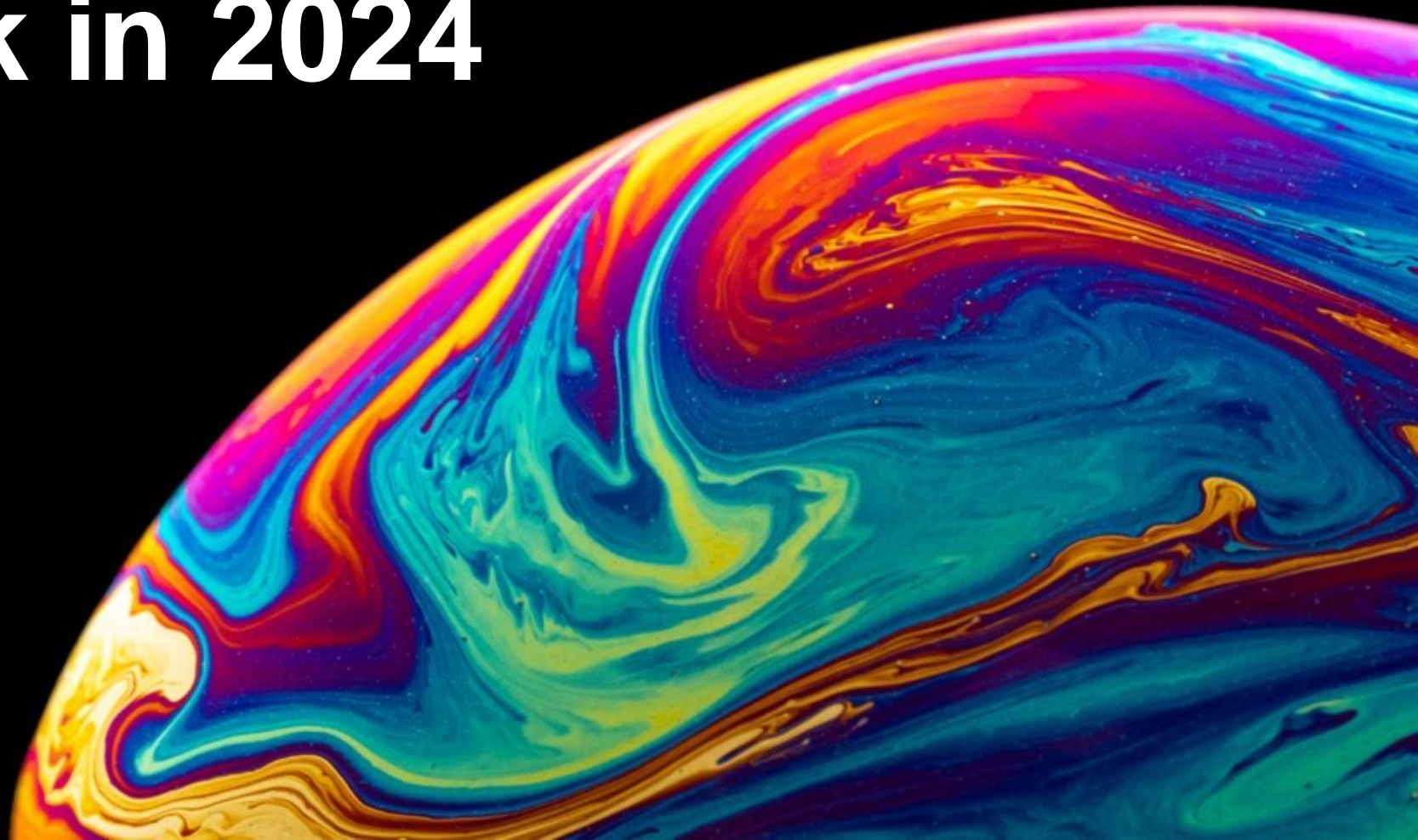


# People Risk in 2024

Investing in your people,  
protecting your business



# Managing your people risks



## People risks

=

the impact of illness and injury in the workforce

# The critical point where risk and finance meets people and culture.

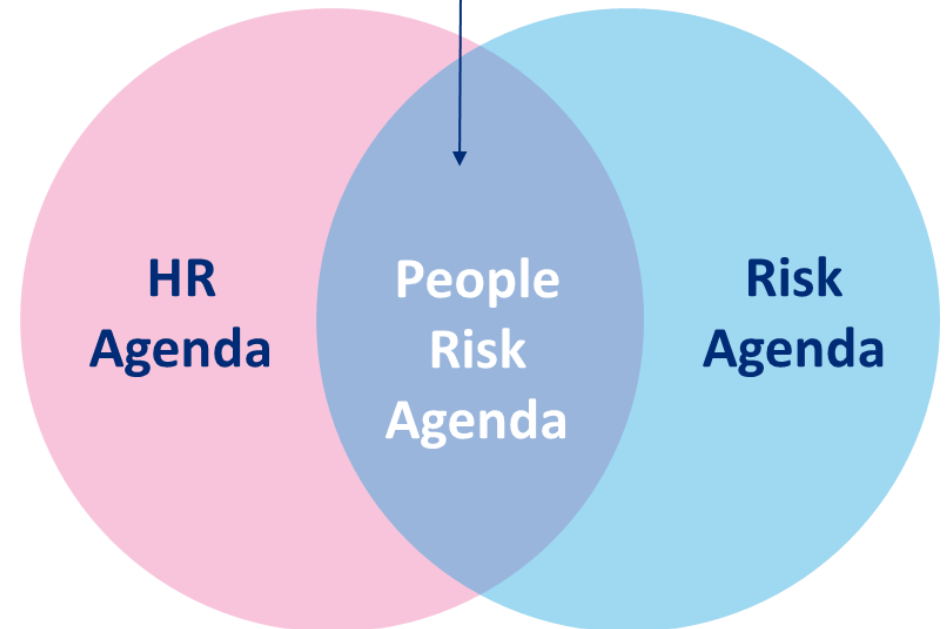
Health & safety

Governance & financial

Accelerated digitization

Talent practices

Environmental & Social



# Concurrent crises impacting businesses and their workforces

Mental health deterioration  
Labor shortages  
Inflation  
Extreme weather events  
Technological power concentration  
Misinformation  
Societal polarization  
Insufficient public infrastructure  
Natural resource shortages  
Chronic health conditions  
Geoeconomic confrontation  
Biodiversity loss  
Infectious disease

**Business leaders  
struggling to address  
breadth and depth  
of interacting risks**



# 10 imperatives for addressing people risks



## Technological change and disruption

- Develop a workforce that fights bad actors.
- Don't delay on addressing AI.



## Talent, leadership and workforce practices

- Power the productivity of your people.
- Take ownership for creating a resilient organization.



## Health, well-being and safety

- Design work for well-being.
- Become a catalyst for health transformation.



## Governance, compliance and financial

- Be prepared for benefits cost increases.
- Get ahead of emerging governance gaps.



## Environment, sustainability and protection

- Address climate risks as health risks.
- Minimize benefit disparities.



# People Risk Findings

# Top 10 People Risks by Risk Rating Score

We grouped 25 key threats into five pillars of people risks. HR and Risk managers assessed the likelihood and severity of these risks for their organization.

## Global vs Region

Ranking	Global	Pacific	Australia
1	Increasing health and benefit costs	Changing legislation and scrutiny	Changing legislation and scrutiny
2	Labor shortages	Labor shortages	Improper rewards decision making
3	Disparities in executive/worker rewards	Inadequate personal catastrophe coverage	Mishandling data/IP
4	Tech skills shortages	Uncompetitive talent strategies	Uncompetitive talent strategies
5	Changing legislation and scrutiny	Improper rewards decision making	Inadequate personal catastrophe coverage
6	Uncompetitive talent strategies	Increasing health and benefit costs	Absence of HR in decision-making
7	Ineffective leadership	Mishandling data/IP	Tech skills shortages
8	Mental health deterioration	Mismanagement of AI	Misconduct
9	Lack of cybersecurity knowledge	Absence of HR in decision-making	Chronic illness
10	Disengaged workforce	Ineffective leadership	Ineffective leadership

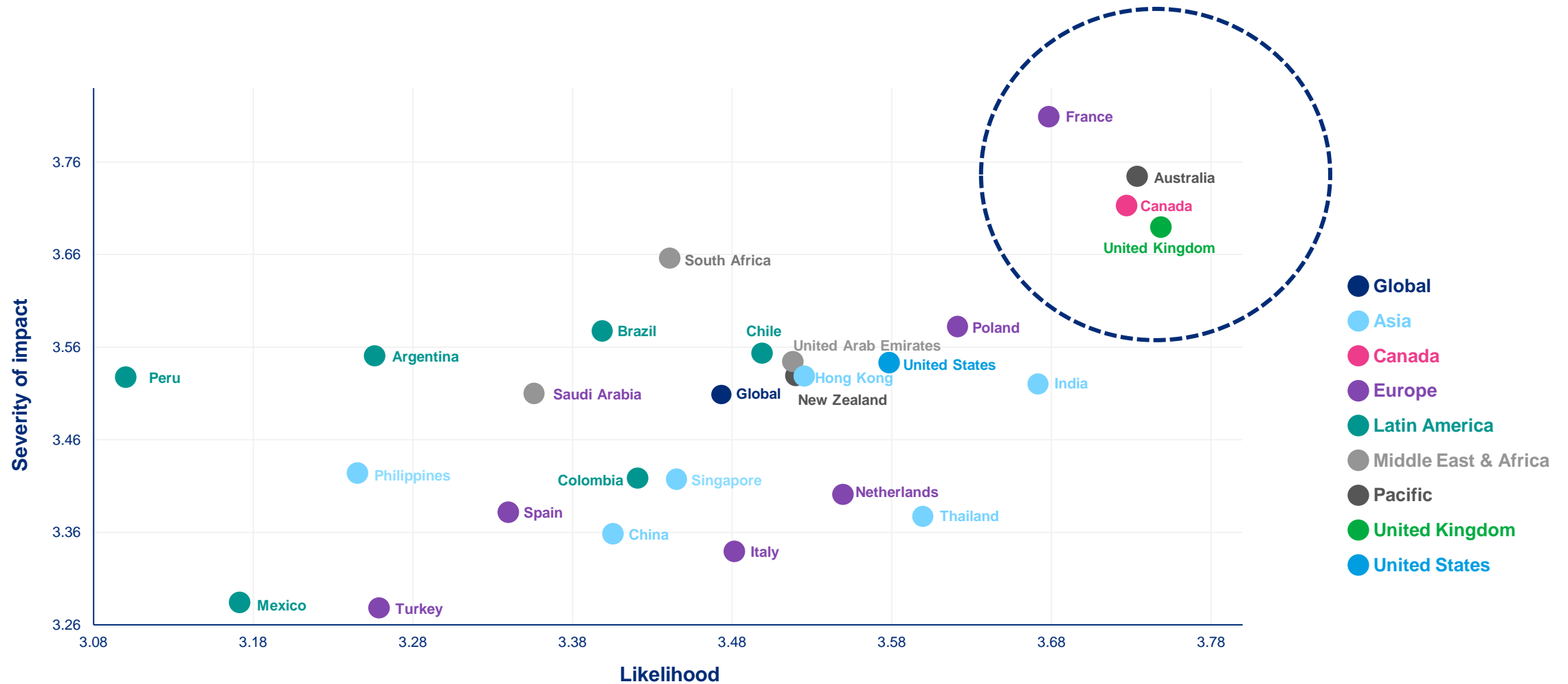
## Australia HR vs Risk

Ranking	HR	Risk
1	Healthcare system deterioration	Inadequate personal catastrophe coverage
2	Mental health deterioration	Mishandling data/IP
3	Changing legislation and scrutiny	Suboptimal HR technology
4	Improper rewards decision making	Improper rewards decision making
5	Uncompetitive talent strategies	Changing legislation and scrutiny
6	Disparities in executive/worker rewards	Lack of cybersecurity knowledge
7	Chronic illness	Pandemics
8	Absence of HR in decision-making	Misconduct
9	Tech skills shortages	Weak benefits administration
10	Ineffective leadership	Absence of HR in decision-making

**Risk pillar** ● Technological change and disruption ● Talent, leadership and workforce practices ● Health, well-being and safety ● Governance, compliance and financial ● Environment, sustainability and protection

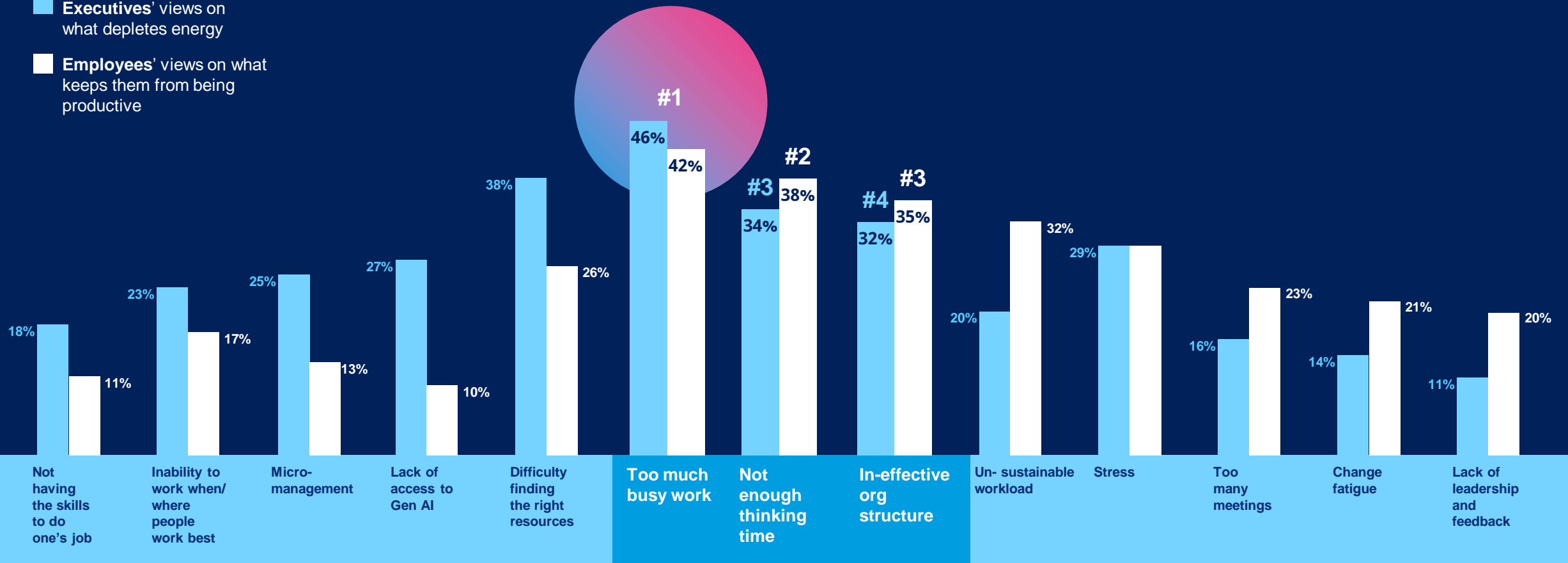
# France, Australia, Canada and the UK rate changing legislation and increased scrutiny at the most severe and likely

## Changing legislation and scrutiny scattergram by region



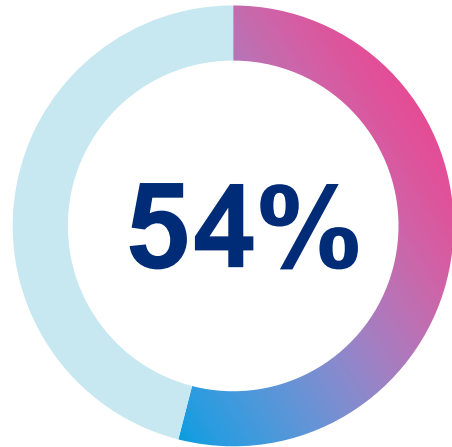
# Improving productivity is the #1 transformation driver this year, but are we adequately tackling what workers believe depletes it?

■ Executives' views on what depletes energy  
■ Employees' views on what keeps them from being productive





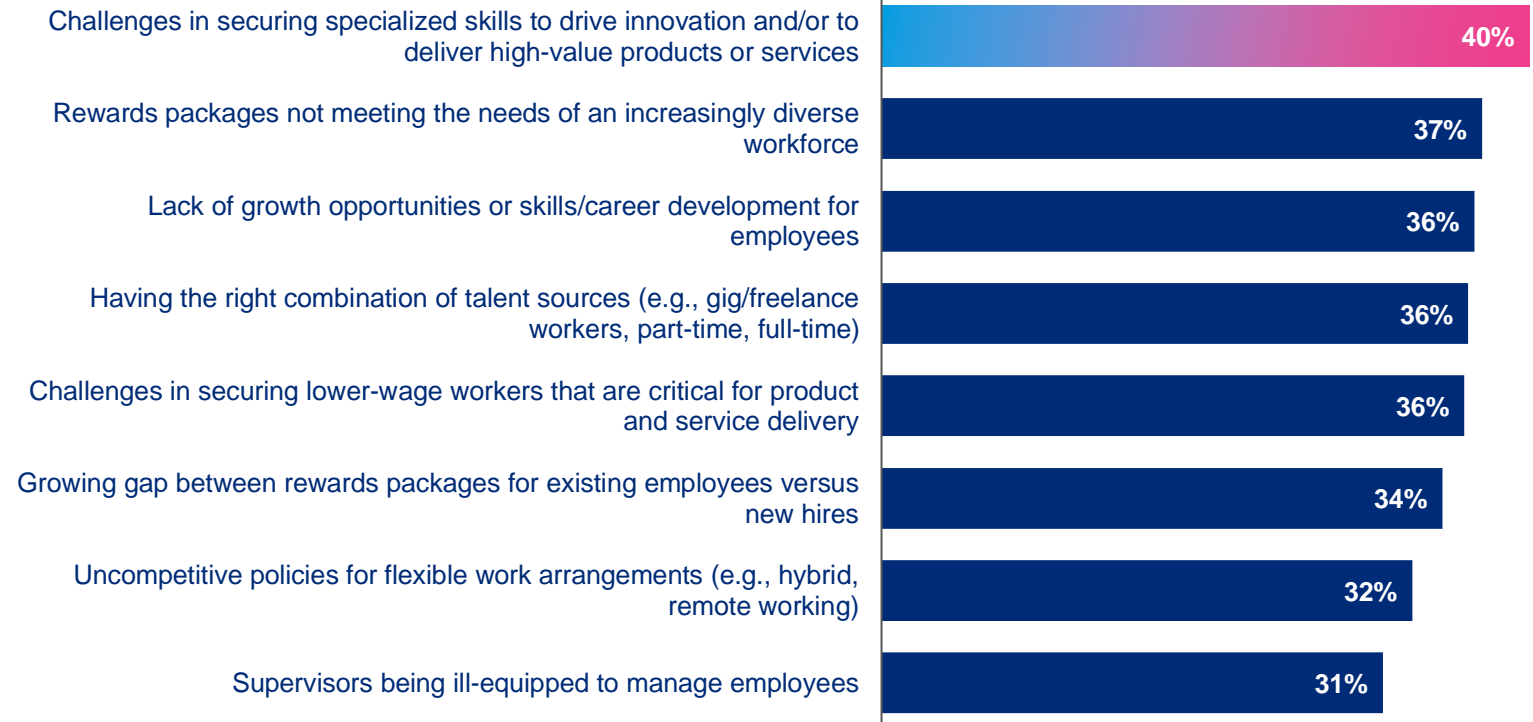
# HR and Risk professionals are most concerned about securing specialized skills to drive innovation and deliver services



say **uncompetitive attraction and retention strategies** would have a **catastrophic or severe** impact if it were to occur

Regarding uncompetitive attraction and retention strategies, what are you concerned about in your role?

## Top concerns



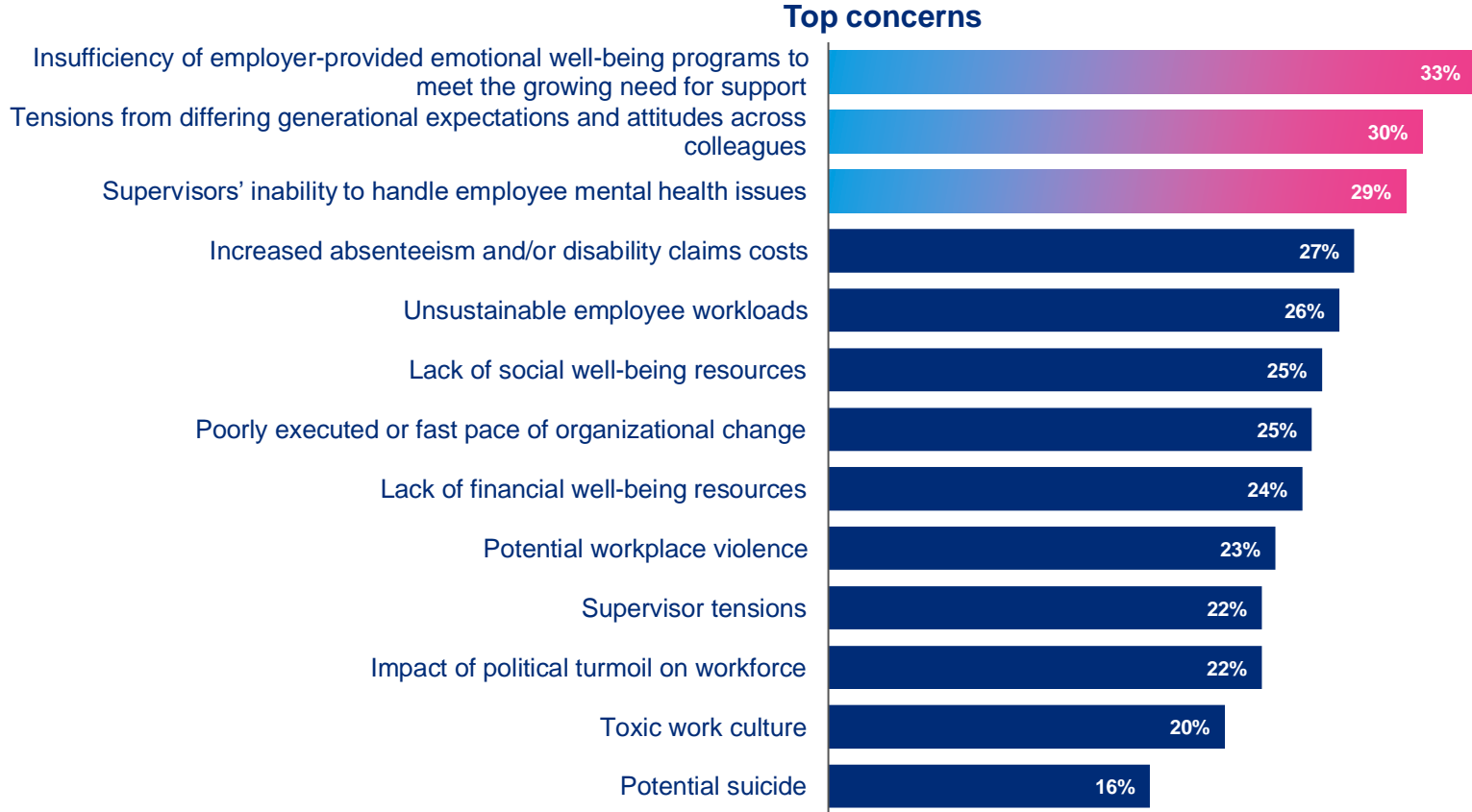
# Insufficient well-being programs, generational tensions and inability to handle mental health issues of employees are top concerns related to mental health deterioration

## Mental health deterioration

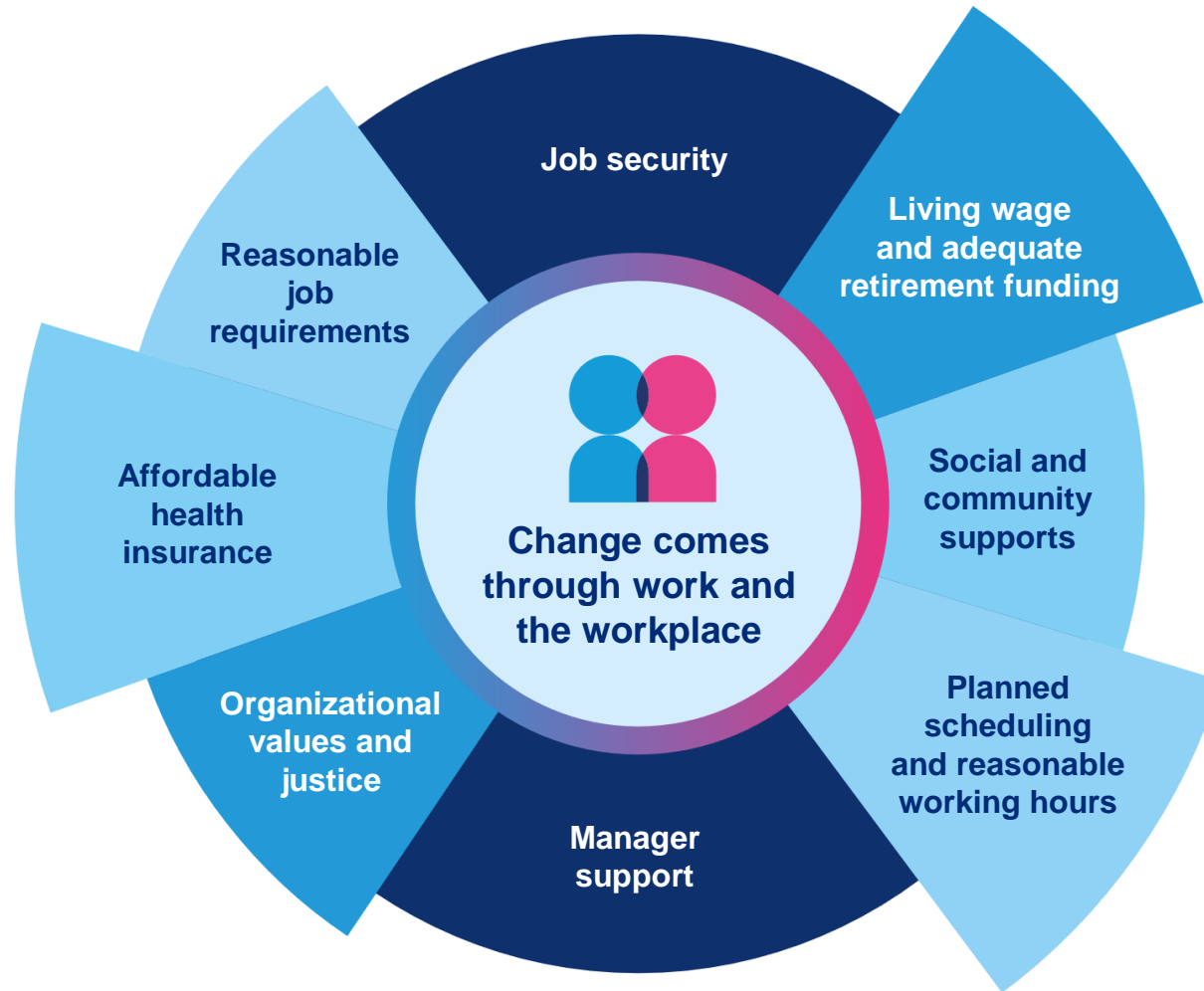
Ranked 8<sup>th</sup> globally, 21<sup>st</sup> in Australia

risk globally (RRS)

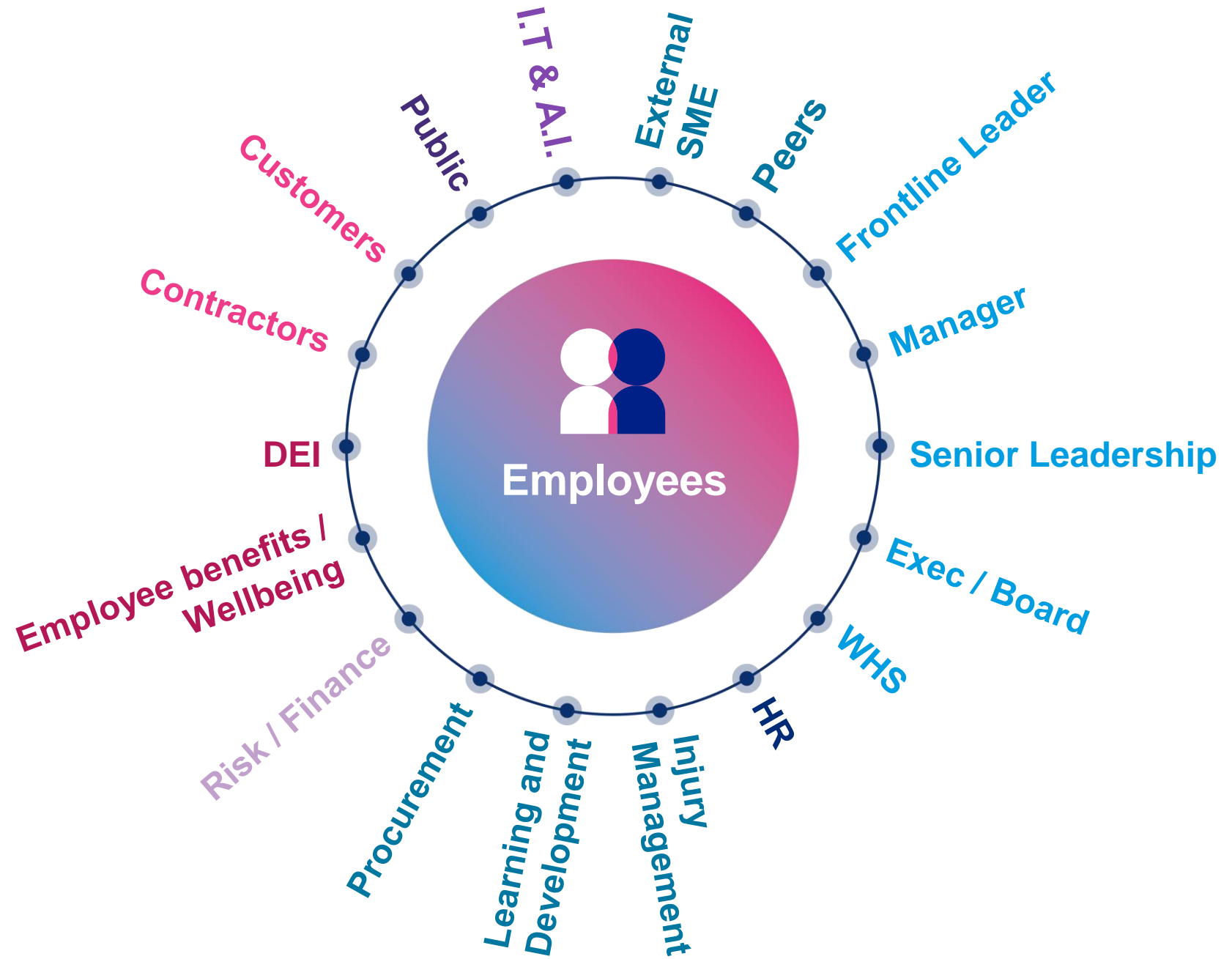
Regarding mental health deterioration, what are you concerned about in your role?



# Work factors impact employee health



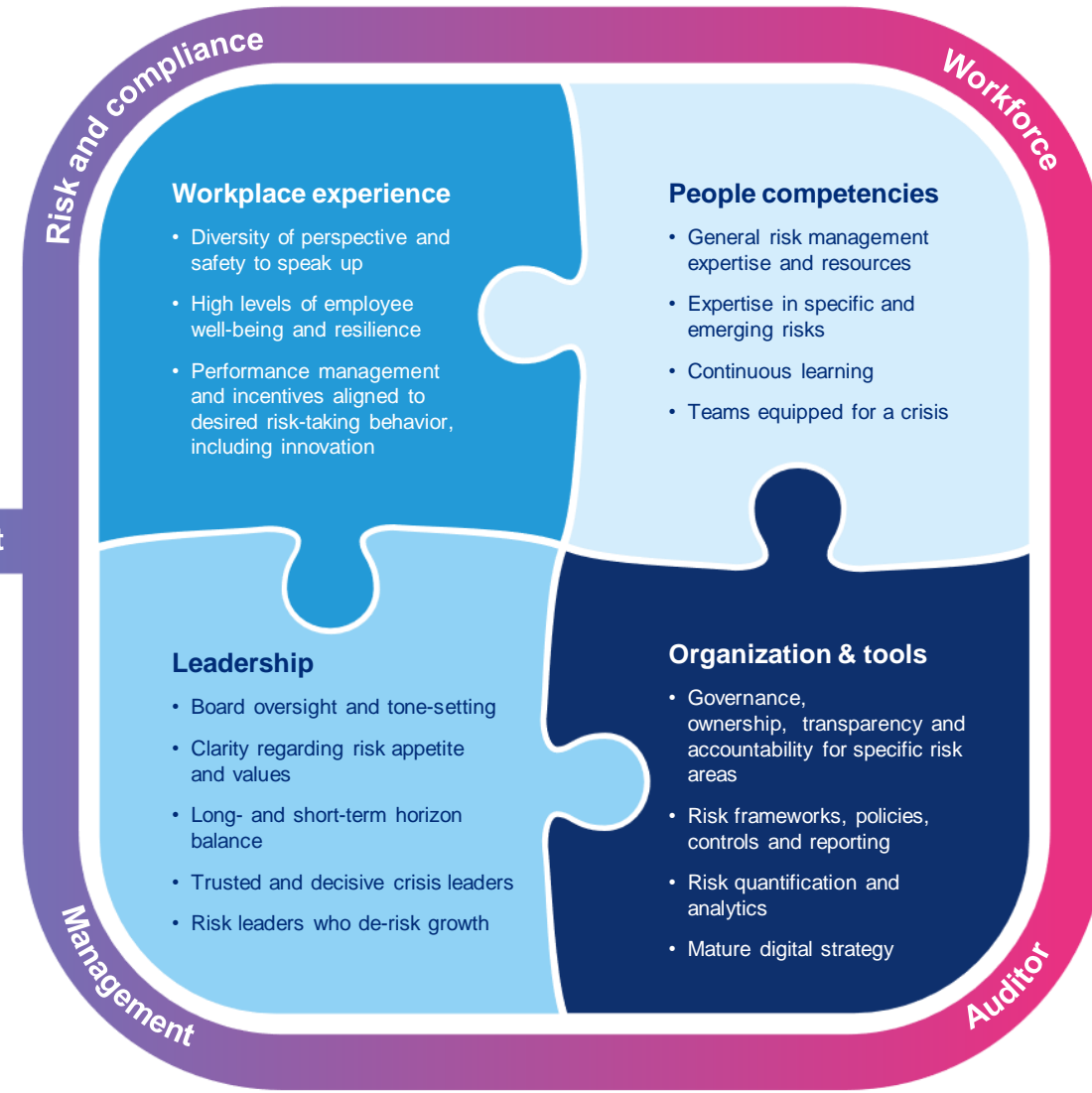
# It's not just a safety problem



# Risk management culture

Involving all stakeholders in risk management

**Be proactive.**  
**Be predictive.**  
**Be disciplined.**





# Mercer Marsh Benefits

The only people to partner with you across the whole people risk cycle

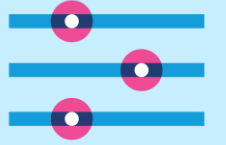


## Attract/Retain

- Health and wellbeing programs
- Competitive benefit programs
- Safe work environment
- Pre-employment health screening
- Gateway to Mercer Workforce Solutions

Healthy

## Manage Risk



- Claims data analytics
- Workplace health and safety consulting
- Risk controls and risk assessments
- Training and education programs
- Mental health and well-being training and support
- Early intervention programs

Your people,  
your business



## Rehabilitate

- Return to Work
- Occupational rehabilitation
- Retrain or reskill
- Injury management
- Pain management
- Strategic claims management
- Claims advocacy

Protected

## Insure



Employee Health and Benefits Workers' Compensation

- Insurance program design
- Insurer selection
- Policy renewals
- Claims administration and management
- Employee and employer assistance
- Premium forecasting and management
- Self-insurance

# The only people to partner with you across the whole people risk cycle

Group Life  
& Income  
Protection

Accident and  
Health

Health  
Insurance

Workers  
Compensation

Rehabilitation  
& Wellbeing

Recovre 

# Three key takeaways for managing people risk

Take a proactive, predictive and disciplines approach to people risk management



**Be  
proactive**

- Tackle future challenges today
- Set measurable goals
- Empower individuals across the organization



**Be  
predictive**

- Embrace predictive analytics and modelling
- Identify and track people related measures and insights



**Be  
disciplined**

- Continually improve governance through monitoring and audits
- Reinforce accountability
- Be proactive over cost control and active management



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