

# Case Study: Leveraging Competitive Total Rewards to Attract Digital Talent in China

A leading auto parts manufacturer defines the digital skills needed to realize its global digitalization strategy and support workforce transformation.

As the race for digital talent continues, companies across industries are searching for ways to attract and retain employees with the skills and competencies needed to meet increasing technology demands and evolving business strategies. A world-leading auto parts manufacturer based in China recently partnered with Aon to develop its global talent strategy around digitalization to help support this workforce transformation. With more than 60,000 employees and revenue upwards of USD \$17 billion, the company knew that change would need to be embedded into the full organization with an extensive employee communication element – and addressing rewards is only one component of this process.

The Human Capital Solutions team at Aon partnered with the client to evaluate digital talent needs, a reskilling and talent acquisition strategy, reimagining total rewards to retain in-demand technology talent and develop appropriate career paths. This work resulted in the creation of a clear digital talent job structure, categorized job types, new recruiting and total rewards strategies for different types of jobs.

#### **Client Situation**

In response to emerging digital demand for new skills, the manufacturer spearheaded its initiative to review existing talent strategies and make amendments to meet the current competitive market. The team focused primarily on digital tools, solutions, competencies, culture and leadership transformation. HR leaders worked to design the positioning and framework for the company's digital talent development plan with an initiative called DigiTalent. However, the team encountered some key challenges and questions along the way, including:

- How should we identify the talent needed for digital transformation?
- Where can we find this qualified talent?
- The current total rewards package for digital talent does not match benchmark offerings in the market. How can we adjust our package effectively?
- How should we design career development paths for future talent, specifically for technical roles?

These questions then prompted the client to partner with Aon and start a complimentary initiative called DigiPay. The scope of this project was aimed at verifying job responsibilities and generating improved understanding

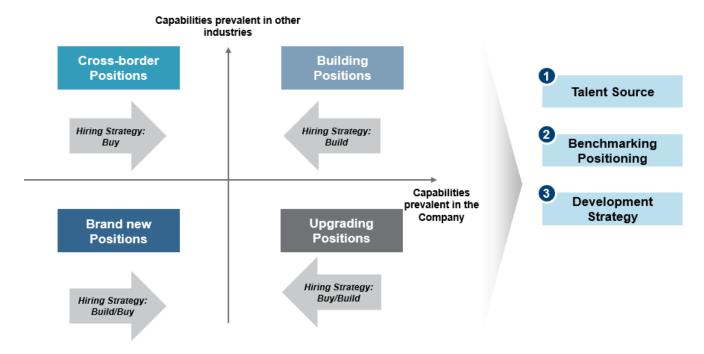


around the distribution of capable talent in the market, competitive rewards packages and typical career development paths. Using this information, the company aimed to revamp its total rewards package to attract and retain top digital talent in a highly competitive market.

## Our Approach

By conducting job analysis and seminars, Aon assisted the client in clarifying its digital talent structure, job type categories, recruiting and total rewards strategies for emerging technology-related jobs. Figure 1 illustrates the model Aon used to analyze each role by slotting the position into the below dimensions. The result could also be used for future talent sourcing.

Figure 1
Position Analysis Model to Categorize Digital Roles and Develop Corresponding Talent Strategy



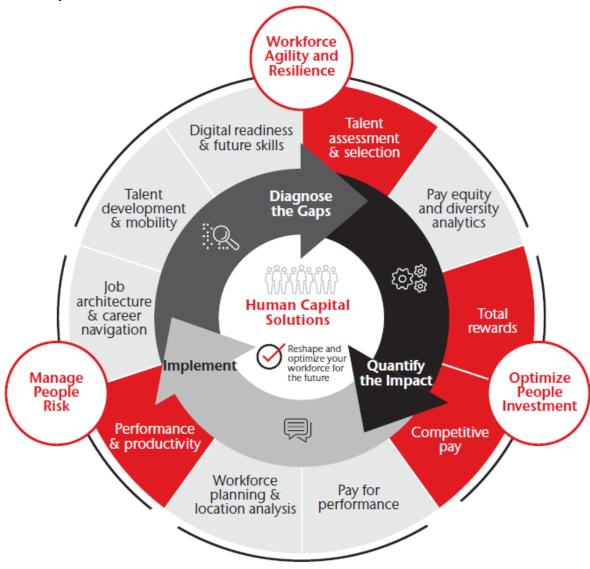
Source: Human Capital Solutions, Aon

Through both data collection of total rewards for the auto parts industry and specific job analysis, Aon was able to define the total rewards benchmark for all the digital roles. The project team was also able to clearly depict the correlation between job analysis and proper total rewards packages, which strongly supported the organization's human resources colleagues for external recruitment.

"It's was truly a joint effort," said Tina Huang, the project director for Aon. "The success of this project relied on the full support of the client's leadership, as well as Aon's powerful capabilities around people analytics."

Figure 2 illustrates the scope of this project, which was centered around reshaping and optimizing the firm's workforce for the future through improved methods for talent attraction and retention. The key areas that support this project are highlighted in red.

Figure 2
Project Scope and Main Focus Areas



## Impact and Results

Throughout the process, our team was able to help the China-based company in four core areas:

- Provide an internal consensus of job responsibilities and competencies of digital talent,
- Adopt a position analysis model to help design a specific talent strategy,
- Use benchmark data and talent competency analysis to formulate a precise and competitive total rewards package, and
- Offer an online visualized report platform to empower human resources colleagues in various business units for their daily work.

Aon provided unique value, allowing the company to use existing data to gain a deeper understanding of its compensation structure and how to adjust accordingly to meet evolving market trends. "We are going to continuously update the benchmark data for frequently needed positions, and we will adopt the DigiPay tool for other key positions down the road," commented one of the company's project leads.

### **Next Steps**

Driving HR digital transformation is at the top of our client's priorities, and in order to drive business transformation, the firm knew it needed to have the right skills and structure in place among its workforce. Through our partnership, the client is now one step closer to establishing the solid foundation and future skills it needs to achieve this goal.

Interested in partnering with Aon on an upcoming business project? We can help review and revise your compensation plans, total rewards strategies and address various human capital challenges that may arise as we continue to navigate these uncertain and evolving times.

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Aon's human capital business provides leaders with a powerful mix of data, analytics and advice to help them make better workforce decisions. Our team, spanning 2,000 colleagues in more than 30 countries, includes the firm's rewards, talent assessment and performance & analytics practices. To learn more, visit <a href="https://humancapital.aon.com">humancapital.aon.com</a>.

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