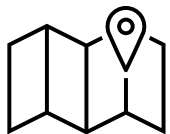


Systematizing Care and Equity in the Employee Experience



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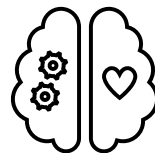
What is it?

- *Choice Architecture*
- *Scalable*
- *Predictable*



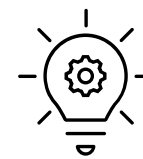
Design Principles

- *Nudges*
- *Automation*
- *Curb cut effect*



Behavior Science 101

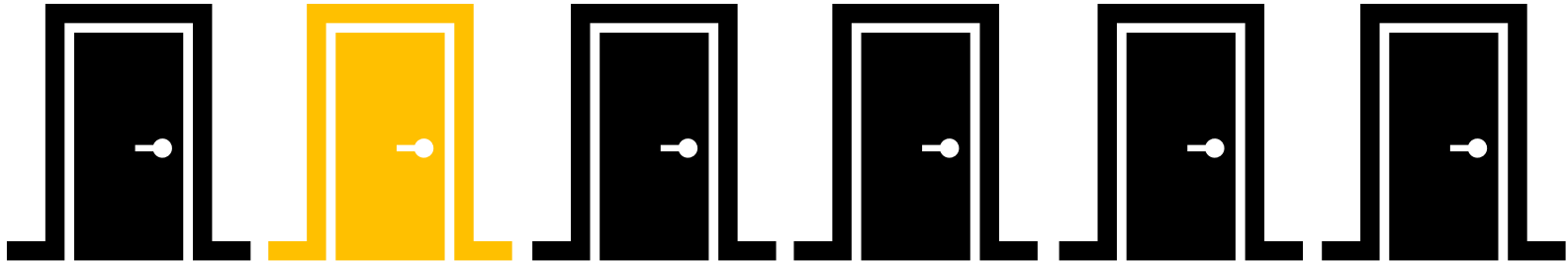
- *Default Bias*
- *Fairness & Justice*



Systematize & Pilot

- *Success in Practice*

CHOICE ARCHITECTURE



CHOICE ARCHITECTURE



ABSTRACT OF ISSUE STATEMENT¹

In 1974, Congress declared that the "well-being and security of millions of employees and their dependents are directly affected by these [employee benefit] plans."² ERISA has been effective in protecting accrued pension benefits, but the statute left retirement plan coverage and benefit levels to private agreement. The portion of the U.S. labor force actively participating in a private retirement plan has stagnated at about 50 percent, and many Americans do not accumulate sufficient resources to support a dignified retirement.

Building retirement savings today differs greatly from the situation workers faced in 1974. Changes in the nature of employment, shifts in benefit offerings, disparities in access to

retirement saving moved away from and to 401(k) plans for retirement, and retirement on the ment choices. To , including 401(k) years. Therefore, a plan, pay levels, ffect on retirement have been impacted adequate retirement and themselves with

retirement security considered the might be taken to regulations that the

advisory-council/2021-

Advisory Council on Employee Welfare and Pension Benefit Plans

**Report to the Honorable Martin Walsh,
United States Secretary of Labor**

**Gaps in Retirement Savings Based on
Race, Ethnicity and Gender**

December 2021



Nudging alters people's behavior in a predictable way **without** forbidding options.

- Opting in vs. opting out
- Psychological Anchors
- Reminding people

Automation can restrict options or further enable nudges.

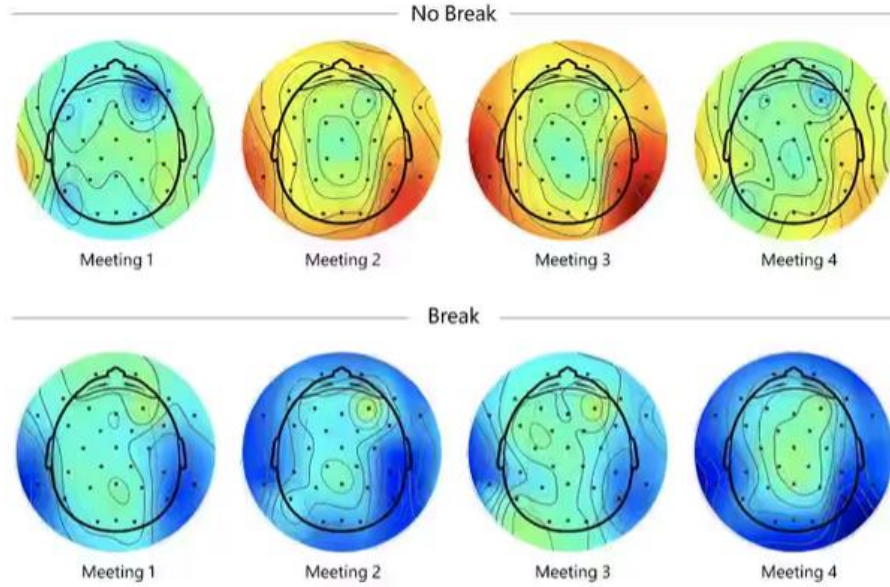
- Automated approvals
- Workflows
- Bot supports

Curb cut effect informs us that programs designed to benefit the most vulnerable, typically benefit all.

- Go to GEMBA
- Survivorship bias

DEFAULT BIAS

Tendency to stay in the default or automatic option, avoiding complex or simple decisions, consciously or unconsciously.



ORGANIZATIONAL JUSTICE

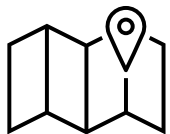
Distributive | Procedural | Informational



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BEHAVIOR SCIENCE 101





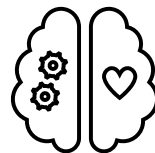
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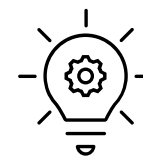
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Systematize & Pilot

- *Success in Practice*

THE PROBLEM

A Fortune 50 company has executive diversity aspirational goals for 10+ years with no significant advancements.

Standard Work Improvements

- System sourcing internal talent with automated reporting
- Forced justification for current talent
- Executive driven informational discussions
- Succession notifications and automated communication

THE OUTCOME

- **213%** of increase of succession plan diversity with no duplications
- **13%** increase of favorability for non-majority populations
- **8%** increase of favorability for majority populations
- **100%** of employee development plan participation

THE CASE STUDY

- Lack of diversity on current succession plans
- Lack of development progression
- Lack of employee engagement and perception of fairness in succession planning process

“Research is seeing what everybody else has seen and thinking what nobody else has thought.”

-Albert Szent-Gyorgyi

THANK YOU!
Any Questions?