

Talent Management

Is HR a Facilitator and Enabler or just a
Record Keeper of Talent Management?

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CTO HR&ICT 2015, Maputo

07 July, 2015

Welcome

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- This is not a discussion of traditional Talent Management
- Centres on changes taking place in 2015/16 examining expectations, goals and opportunities
- Focusses on the role of HR in the changing business order
- Expectations for this discussion:
 - Every organization is engaged in some form of talent management
 - Most use software based application, primarily an extension of their ERP Application

Evolution of TM

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- ERP applications mostly support a linear approach:
 - From “pre-hire to retire” approach:
 - Hired, trained and promoted according to talent path within organizational sub-structure
 - Great for mapping, managing and recording progress of talent path within BU or Department
 - Do not easily recognize talent existing outside the organizational sub-structure
- Is changing to recognition that appropriate talent can exist outside the Business Unit, Department or other sub-structure
 - Needs to be recognized, enabled, verified and, if suitable, nurtured

Traditional TM

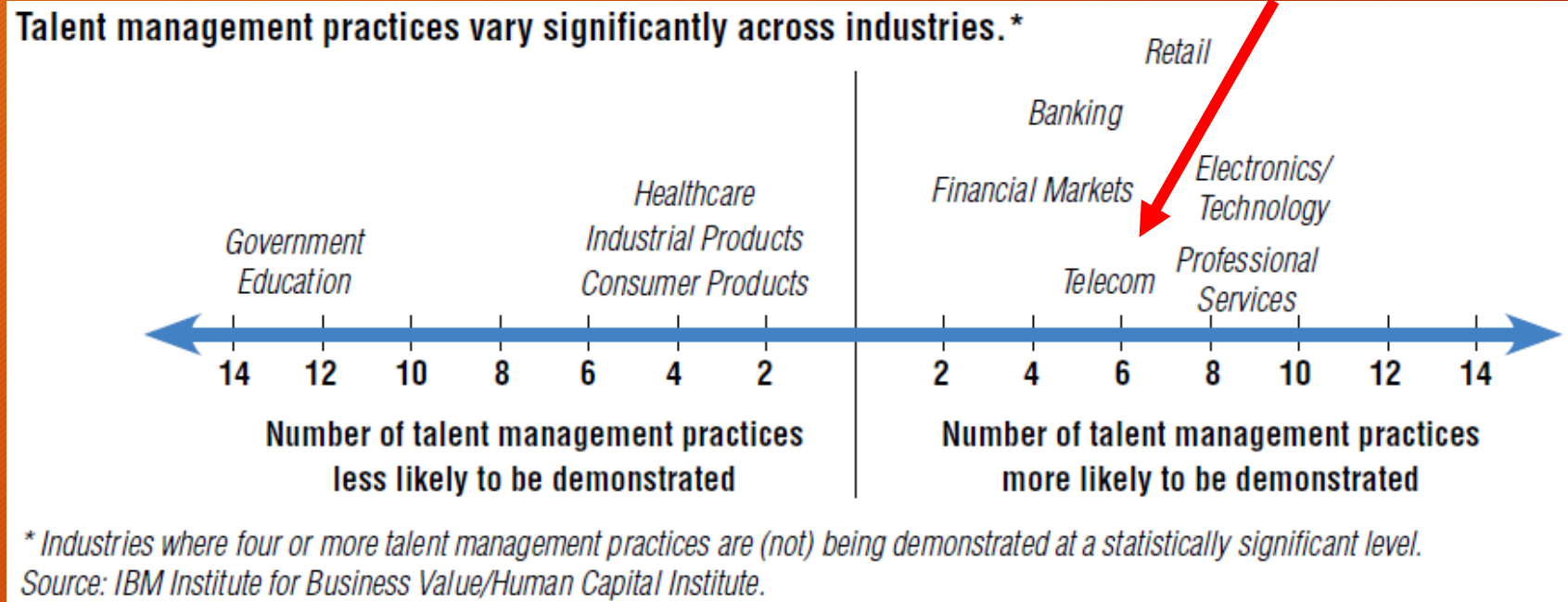
- In many organizations, TM consists of unrelated activities furthering career path
- Usually not coordinated
- Many managed by others than HR, although HR usually tracks
- ERP helps in linear planning



- **No unified vision of talent capabilities and gaps**
- **Not connected or responsive to business requirements**
- **Unable to share information and processes**
- **Not responsive to employee demands**
- **Administratively inefficient**

Evolution of TM

- IBM research says ICTs more engaged than most and more effectively applied - **significant differences can exist**



Example Apple, Inc. vs. Google, Inc.

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- Apple most valuable company, Google third most valuable company
- Similar market space, although Google more software oriented and Apple more hardware based
- Both highly successful
- Yet, application of TM could not be more different

Apple, Inc.

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- Genius, somewhat charismatic leader - visionary, product expert
- Company products imagined and driven by leader
- Employees contribute through knowledge, skills - not ideas
- TM only lately emerges as a path to future growths:
- Despite the increasing focus on talent and the use of data and good talent analytics to manage the process, managers - and HR professionals in particular - feel they lack the requisite skills and experience. Only 44% of HR professionals use objective data to make talent decisions, while just 24% feel they understand the potential of their workforce, and only 41% use assessments to identify high potential employees
- Encouragingly, though, there is a widespread recognition of the need to improve
- Source: https://www.executiveboard.com/blogs/talent_strategy

Google, Inc.

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- Led by business managers
- Realize that growth rests on the ideas of their people
- Employees contribute through ideas, first and foremost
- TM at Google evolved into People Management and HR into People Operations
- HR is involved at C Suite level in strategy discussions
- Google is a “talent magnet” firm and that is its primary driver of success, just like it is for the New York Yankees in baseball and Barcelona in soccer. It is wildly successful because it attracts and retains extraordinary talent, and it can expand and grow because it can attract that talent in any new field or job family. As a result, the primary reason to copy and learn from Google is that **if you could successfully attract and retain the same caliber of top talent and innovators that it does, your firm would also dominate not just your current industry but any industry or product line that you chose to go into.** You should also consider the distinct possibility that your firm’s low-capability people management practices are actually restricting your firm from producing higher-margin products and services.

• Source: <http://www.ere-media.com/ere/howgooglebecamethe3mostvaluablefirmbyusingpeopleanalyticstoreinventhr/>
MCCS Inc., Guelph, ON

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Evolution of TM

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- A fitting description of today's TM:

“An organisation's journey to identify and manage the human pattern of behaviours and attitudes that are involved with sustaining competitive success”

- Expected for 2015 and beyond:

“The systematic intent to place **every** individual in the company in a position where their skills are being extensively and optimally utilised at any given time”

Forward Looking TM

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- Now, there is recognition that
 - skill,
 - knowledge,
 - leadership qualitiesnot always come from outside but may exist within
- Not necessarily in the appropriate Business Unit, department
- Therefore easily overlooked, not nurtured nor mentored
- Most ERP and TM modules at this time do not identify talent outside the linear progression

Forward Looking TM

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- Therefore, nurturing and mentoring of talent outside the linear progression falls to Unit Manager
- Manager is usually not HR skills savvy
- HR has to find ways to extend talent management support **across** all lines of business
- **Transforms role of HR from supporting the business to enabling the business**
- HR has to become involved at C Suite level to meet new business priorities

HCI: “The Decade of HR”

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- HCI suggests, HR has to:
 - Become data driven – Google’s approach to TM is primarily data analytics
 - Most HR believe that there is little data on employees – BIG Data changed that
 - Drive Business Outcomes – Google, P&G, Toyota prime examples
 - HR must add value from outside in – its about strategy and business goals, not about HR measures or processes
 - Become Coaches – don’t let TM be responsibility of Unit Manager alone
 - As HRBPs become more accepted, HR will be asked to coach key members of business unit – become trusted advisors
 - Navigate Change – before organizations can change, people must
 - Telecom is volatile, few organizations recognize importance of people in the process
 - Build meaningful and sustainable cultures
 - Culture defines the organization, if culture doesn’t fit changing market, organization is not sustainable, culture adaptation is not easy, needs firm leadership provided by HR

HR Evolution

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- To fulfill its new role in accelerating business growth, organizations are using HR transformation to implement HR and talent systems that can work across organizational and geographic boundaries
- Thereby creating a framework that is flexible enough to support different business models

Talent Analytics vs. People Analytics

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- Talent Analytics becomes People Analytics
- People analytics will rapidly integrate with financial and other business analytics
- Lets businesses understand the people issues behind all major business challenges (ie. sales productivity, product quality, customer retention, etc.).

Shift in Approach

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- Talent Management will be driven by the *business*
- A few leading edge companies doing this - starting with business strategy, moving to talent strategy, from there to HR and process design
- Traditionally, TM started at the bottom, and focused their talent management programs on software implementation or solutions to integrate HR



Source: Deloitte 2014 - Why Talent Management Must Change

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People Management

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- Companies engaging in People management are starting to rename their HR organizations things like

"People Operations"
or
"People Management"

- Still perform HR administration, but ultimately their job is to make sure "people" are engaged, trained, in the right jobs, aligned, and supported regardless of whether in linear succession line or outside

People Management in Action

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- Companies start to think of their employees as "people" or consumers (ie. they can always go elsewhere)
- Means, all of a sudden we think about "talent management" in a new way
- It's no longer just a way to integrate HR processes
- It's a series of strategies, programs, investments that make everyone's life, work, and career better for them and the company by recognizing and managing hidden talent as well

Case: Toyota, Textron

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- Toyota; a global auto manufacturer
- Textron; a multi-industry global technology corporation
- Textron's present call to action is a slogan, similar to Toyota:

"Greatness begins with me: How can I contribute?"

- This is a powerful statement
- Encourages employees to constantly explore ways to improve

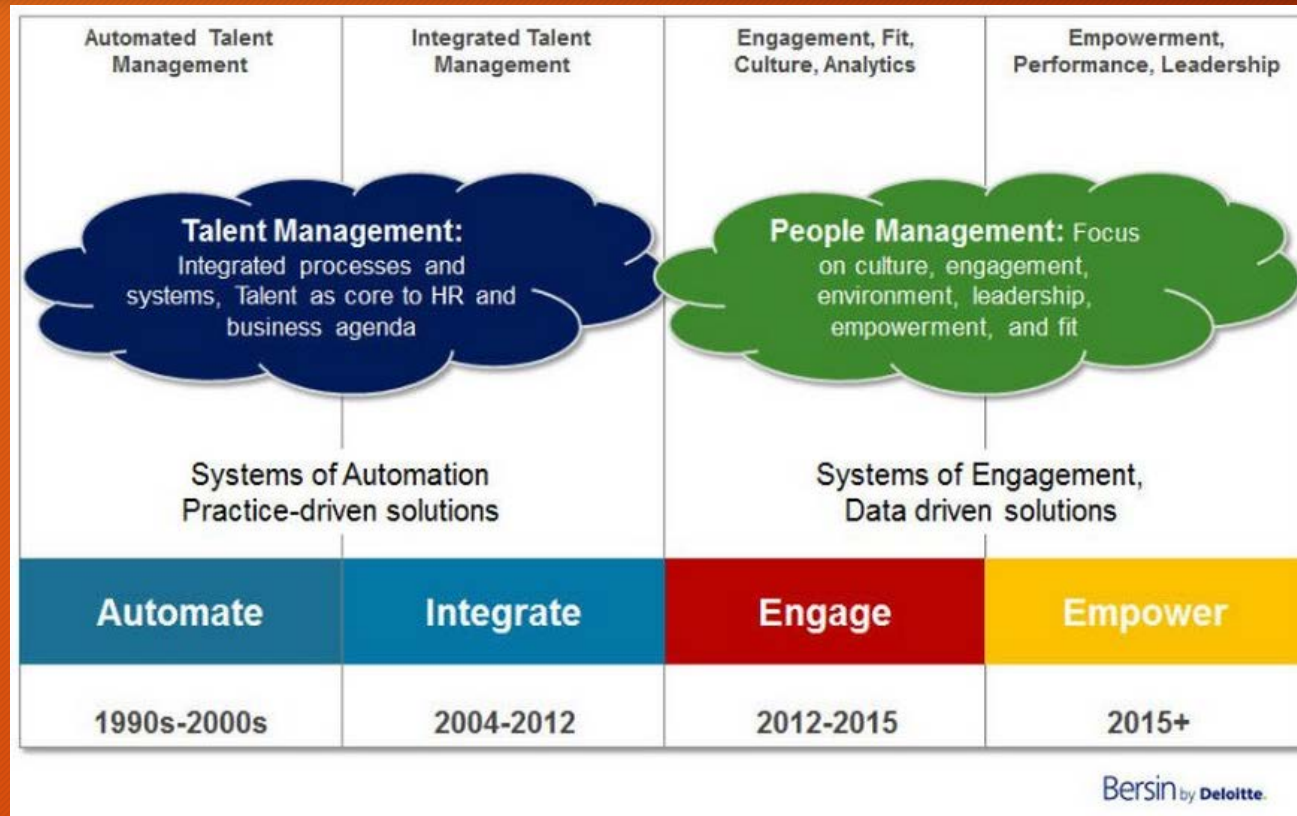
Case: Proctor & Gamble

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- Fortune 500 Company, Maker of Household and Personal Products
- Fully inclusive Talent management program
- Utilizes multi dimensional talent teams to help employees test ideas
- Idea failure at whatever level is used as “learn and move forward” – no impact on career progression of individual
- Implemented a method to test ideas globally
- Bloomberg says about P&G: “The role of HR cannot be overstated in building a culture of innovation. This is an example of HR playing an important role in designing forward-moving strategy at P&G.”

Shift in ONE View

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Source Material

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- IBM Global Business Services in Partnership with Human Capital Institute: “Turning Talent Management into a Competitive Advantage”, 2014
- Gartner: “Predicts 2015: The Digital Workplace”, 13 Nov 2014
- Prof. Paola Bielli: “ICT is a core to innovation in any Industry or organisation”, March 04, 2015
- HCI: White Paper May 2014: “The Decade of HR - Are You In?”
- Bersin by Deloitte: The Talent Agenda for 2015 - What comes after “Integrated Talent Management?”, Oct 2014
- Dale Carnegie: Change Management, Sep. 2014
- NHS: Inclusive Talent Management Handbook, 2nd Edition, May 2014
- Proctor & Gamble: “Winning Moments of Truth”, 2015
- TAL: “The Chaos in Talent Management:”, www.taltalent.com

Thank you

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I hope you have some questions
during the Panel discussion