



ATTRACTING AND RETAINING TALENT – AN INTEGRATED APPROACH

The Perfect Talent Storm

There is a perfect talent storm brewing. The recent economic recession, the challenging global business environment and increasing talent crisis demands innovative and pragmatic approaches to finding, developing and retaining talent. Individuals are increasingly demanding to be treated as a whole person with needs, values, aspirations and a life beyond work. This has resulted in a crucible of competitive pressures, supply limitations, workforce reductions and a clamour to find high calibre people and skills to navigate a way through the stormy waters.

The Five factors that will define the extreme future, as described by James canton in “The extreme future”, (2007) are:

- **Speed** – The rate of change will be blinding, comprehensive in scope and will touch every aspect of your life
- **Complexity** – A quantum leap in the number of unseemingly unrelated forces that will have a direct bearing on everything from lifestyles to work to personal and national security
- **Risk** – New risks, higher risks and more threats from terror to crime to global economic upheaval will alter every aspect of your life
- **Change** – Drastic adjustments in your work, community and relationships will force you to adapt quickly to radical changes
- **Surprise** – Sometimes good, sometimes difficult to imagine, surprise will become a daily feature of your life, often challenging sensibility and logic

Economic pressures

The last quarter of 2008 and the prospects of 2009 have been unprecedented in the scale, crisis proportions and unrelenting financial difficulties and implications reported worldwide in the wake of the colossal global economic meltdown. The adage “desperate time’s call for desperate measures” was certainly the main remedy to the credit crunch and countless initiatives have been introduced across the world to stem the tide of disaster and seek solutions for personal and business survival! International alliances, stimulus packages, Governmental rescue plans, production cut backs, restructuring, retrenchments, voluntary separations, bonus cuts and salary sacrifices became the new agenda and the 2009 business reality. The picture of the near future is brightening and in the last 3 weeks, confidence across the global markets and economies has been described with references of cautious optimism. If there was ever an era to conquer the war for talent, it is now – the decisions we take today in rebuilding organizational capability and how this unfolds over the approaching next two years will be critical. Business leaders have to ensure that they do not lose top talent by actively reviewing their talent management strategy and practices with special attention to their mission critical positions, high potential talent, succession plans and scarce technical and professional skills.

It is people that are going to drive the strategies to respond to these challenges. It is people that are either going to react in fear and paralysis or respond in creative and innovative ways. It is people that need to work together, share ideas, build new systems and ultimately provide what customers and stakeholders are willing to buy. What organisations need is to find **“the right people, with the right skills, to do the right things, at the right time to achieve business results”**. This requires an on-going process of identifying talent, planning for talent, attracting and finding new talent, developing talent and keeping the best people in the company (and releasing those that don't add value).

“The best executive is the one who has sense enough to pick good men to do what he wants done, and self restraint to keep from meddling with them when they do it” - Theodore Roosevelt

What is talent management?

Talent Management is the proactive management and balancing of the demand for critical skills with the supply of critical skills in both the short-term and the long term to ensure the operational continuity and sustainability of the business.

The *demand side* of talent

management focuses on positions and includes the identification and filling of mission critical positions and scarce skills that are critical to the ongoing operations of the business, without which would lead to major productivity or profit losses of the company or customers



The *supply side* of talent

management focuses on people and includes the identification, development and retention of key individuals who are considered to be of such critical importance to an organisation, that the risk of turnover warrants targeted activities to engage and retain them.

Talent on the strategic agenda

It is only in recent years, that organizations have appreciated the need to manage talent in a strategic, integrated and holistic way. A growing number of organisations are doing the right things, but there are still a large number of organisations that manage people through departments working in silos and in a subjective, ad hoc manner. Talent Management, through an annual Strategic Talent Review process needs to be seen by senior executives and all line managers as part of the foundation and fabric of the business - as important as strategic planning, business planning, budget reviews and performance reviews processes and appreciate that “People have become the key differentiator in today’s knowledge-based economy”.



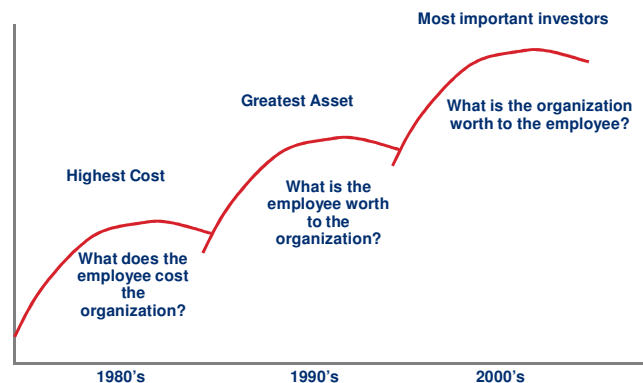
An Integrated Talent Management Framework

A good talent strategy needs to understand skills demand and supply dynamics, and must include processes for attracting, spotting, finding, growing, keeping, reviewing and managing talent. Below is a simple diagram to depict the key aspects of managing talent effectively and holistically. These stages will be discussed in a series of articles in the next few issues of HCR.



Attracting Talent

As a result of **the perfect talent storm** where demand outstrips supply of critical skills and leaders, there is a greater necessity for organisations to become more attractive to talented individuals and to build a culture of high performance, engagement and growth. Organisations can only compete for the best if they join the “**Employer of Choice**” band wagon and create a work environment that people really want to work and interact in. The rationale goes that the more attractive the organisation is to potential and actual employees, the higher level of skill and talent they will be able to attract and keep and the better the performance and results will be. Over the last 20 years, there has been a gradual **shift in power from employer to employee** from being the highest cost, to the greatest asset to the most important investors in the business world who can afford to be more discerning and demanding and shop around for the best value proposition (see diagram below)



The explosive growth in access to information across the globe, the internet, job search sites and social networking and blogging sites, also allows for employees to search and compare jobs and salary packages on a daily basis. Organisations are therefore being forced to become more competitive with their range of employment offerings, flexible remuneration and benefits packages as well as the less tangible, softer factors such as the quality of leadership, communication, reputation, development opportunities, a great culture, health, safety and environment (SHERQ) philosophies, design and layout of corporate offices and additional perks such as restaurants, gyms, sports facilities and even crèches!

Although some executives still believe that while they are still earning the money and paying the salaries, that they have the power to buy and sell talent, more and more employees are calculating the “cost” of working for one company over another. There is a price to pay for longer hours, more stress, more politics, conflict and less work-life balance.

Building a talent culture

One of the first steps to building a talent culture is define the company philosophy, principles and approach to talent. A number of questions and options need to be debated at executive level of organisations with the necessary advice regarding impact and consequences of the different choices. Test your organisation against the following:

Questions	Rating
Is there an integrated talent strategy and approach or just ad hoc?	
Are there structures to support talent management such as a talent manager and good training for leaders?	
Are line managers measured on how they manage and grow talent?	
Does your company identify Critical Positions and scarce skills and plan for them?	
Who is talent? Everyone or specific subset of population?	
How is talent categorised or differentiated? Are there objective tools and processes? Or is it subjective?	
Does the company have competence and performance standards to identify talent?	
What labels are used to differentiate talent? High flyers, stars, HIPOS, key talent? Is this process transparent? How is it viewed by the organisation?	
Is there differential investment in key talent? Are there objective criteria and processes for allocating funds?	
Is succession planning done? Is it for everyone or just for Critical Positions or senior levels only?	
Are succession plans fixed or there a flexible pool of potentials?	
How are positions advertised? Does everyone get a chance or only the talent pool?	
How much focus is there on internal development vs. external recruitment for skills?	
Does the company have good retention initiatives for highly skilled and valuable employees?	
Does the company tolerate poor performance? For how long? Is there a high performance culture?	

Employee Value Proposition

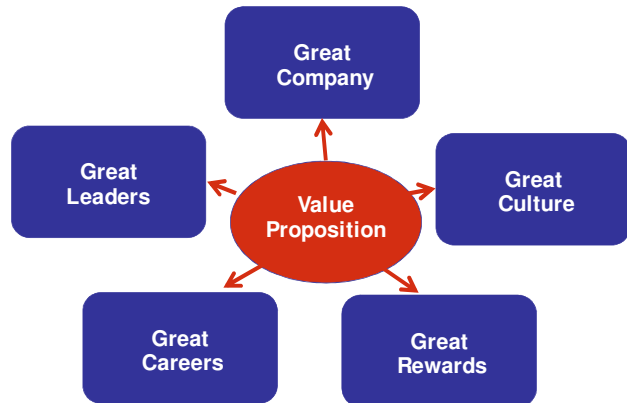
Another key factor in attracting talent is a clear and well articulated value proposition.

A value proposition is concise description of what you as an organisation have to offer potential employees. It needs to be inspirational, motivational, attractive and seductive and express your core identity. It is the ultimate company pitch to persuade and entice highly sought after professional and technical skills to join your company.

The value proposition can be used in company speeches, external advertising and internal communication and is often encapsulated in a by-line such as Standard Bank’s “inspired, motivated, involved” or Nedbank’s

“Great things begin with great people”.

When you building the value proposition, ensure you address and communicate your ability to deliver on the 5 GREATS



Rate your company on the whether they offer and deliver on the following:

Greats	Offerings	Rating
Great company	<ul style="list-style-type: none"> Reputation as a great place to work Trusted and attractive corporate brand and image Reliable and financially sound Growing and expanding with national and international exposure Commitment to community and environment Lifestyle facilities i.e. modern offices, dress-codes, coffee shop, gyms, canteens, meeting rooms, social events, sports facilities and events, etc 	
Great culture	<ul style="list-style-type: none"> Talent management culture and mindset Conducive environment for interacting, learning and having fun Values that are lived, measured and encouraged Great place to work values i.e. Pride, camaraderie, respect, fairness, credibility High performance team ethic and team spirit 	
Great careers	<ul style="list-style-type: none"> Interesting, challenging and flexible jobs – depth & breadth Structured learning, development and deployment plans Qualifications, in-house bursary schemes, graduate programs, apprenticeships, learnerships On-the-job learning through job rotation, stretch assignments, project work, secondments Coaching, mentoring, assessments and feedback Variety of career paths, career development discussions and plans Talent mobility through shadow roles, unique roles or VS packages to make space. Talent migration through national and international opportunities 	
Great leaders	<ul style="list-style-type: none"> Defined leadership style and competencies which are trained and measured Variety of leadership development programs Assessment and feedback to leaders with coaching Leaders that engage, coach and develop others Leaders that inspire and transform Leaders that balance professional will and drive for results with humility Poor leadership style and behaviour is addressed 	
Great rewards	<ul style="list-style-type: none"> Equitable reward and recognition system Motivational incentive schemes for stretch results Differentiated rewards for superior performance and value Team-based rewards and incentives to encourage teamwork Creative non-financial aspects such as flexible work arrangements, family support, time off and perks 	

A great place to work

In addition to the employer value proposition and addressing the Great drivers, there is the intangible “feel” and environment of a workplace. A great amount of research has been conducted around the concept of a great place to work. We will be covering this in greater depth during our article on retaining talent. The Great Place to Work institute defines the concept as one in which you “trust the people you work for, have pride in what you do, and enjoy the people you work with.”

Communicating the value proposition

The value proposition and all the additional value that you offer must be reflecting in most of your internal and external communication material and events. Internal communication continually affirms a new employee’s decision to join and helps remind longer serving employees why it’s good to stay engaged. Internal communications include the intranet, screensavers, newsletters, briefs, posters and corporate and social events. External communication informs and attracts potential talent. This starts with corporate advertising, articles, magazines, conferences, corporate documents and the corporate internet profile and careers section. Specific career marketing activities are also used such as career fairs, graduate days, scholarship and bursary offers and relationship marketing with recruitment agencies, schools, colleges and universities.

Communication continues through the recruitment process with job adverts, responses, communication, assessments, interviews, selection and feedback. A critical part of attracting and retaining talent is an engaging and efficient on-boarding process during the first 100 days including orientation, induction, exposure and a support systems through a buddy or mentor.

Recent research on the internet reflects the differences in how organisations pitch themselves to potential employees. It is interesting to note that those companies that are renowned for being employers of choice or having good results in the Best Companies to Work For Survey have easily accessible careers sections to their corporate websites with attractive statements from their CEO’s and current employees (Discovery Health) or a clearly defined value proposition such as WesBank (see below)

WesBank who has been a recent winner in the BCTWF survey provides the following value proposition:

WesBank has much to offer passionate, entrepreneurial self-starters in terms of growth, learning and personal development. We believe our people are our single most important resource. We only recruit people who share our business values.

It is our mission to attract, engage, acquire, integrate and develop people who have the appropriate attitude, innovation, passion and who are also entrepreneurially focused on sales and service. The appointment of employees is an investment in the future of both WesBank and the individual.

The **WesBank** Employee – Employer Value Proposition captures those elements of employment that is important to our people and the business:

- I belong (there is a place for me)
- I contribute (I am valued as a person)
- I enjoy (benefits I receive)
- I grow (opportunities for me to develop)

Other examples:

ABSA: “At Absa, we are committed to creating a workplace which provides an opportunity for all employees and potential employees to fully optimise their potential by working for an Employer of Choice.”

Eskom: "Together building the powerbase for sustainable growth and development."

Transnet: “delivering on our commitment to you”

Engen: “Engen is 4th best company to work for! At Engen, we've built our solid reputation as South African employer of choice on five fundamental principles. We like to think of them as the pillars on which our company stands, and which serve as a solid foundation on which our employees are able to build the futures they desire.”

Expectations created vs. perception of delivery

Often a dis-connect is experienced between what is “offered” during the recruitment process and what is experienced in the first phase of employment. This leads to dissatisfaction and “buyer’s remorse” and a tendency to keep options open instead of fully engaging with and committing to the organisation. Feedback from a recent survey in a petroleum company reflected a significant discrepancy between what was offered in the advertising and recruitment process and what was perceived on joining the organisation. This gap has been addressed through not only updating the value proposition but also training recruitment staff and managers to manage expectations and a strategic plan to address any gaps in the GREAT retention drivers.