Dispelling the Myths of Talent Management Strategies

Talent Strategy 3.0

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The Myths

People most often leave for more pay

Incentive programs produce long-term profits and improve productivity & morale

People don’t want more responsibility

Loyalty is dead

Improving employee satisfaction is expensive

Employee satisfaction is “fluff”

Supervisors are the problem

My company/industry/people are different
WORK WORLD - Current State
Wake Up Call

Engagement at all-time low

29% mismatch ratio

Sparse bench

People ROI inequitable

Widening competency and knowledge gap
Understanding Workforce Attitudes

The Mood
29% mismatch ratio
Changing Demographics
Economic Turmoil
RPI
A Shift in Mindset
What’s the real unemployment rate: 8.2% or 4.1%?

New tax plan will mostly benefit the Top 1%.

Cost of Education impacting career choices.

Financial Instability.
Getting Younger
Our Shifting Workforce

Age

75-79
70-74
65-69
60-64
55-59
50-54
45-49
40-44
35-39
30-34
25-29
20-24
15-19
10-14
05-09
00-04

Male
Female

WWII – 70-79yrs
Baby Boom – 51-69yrs
Gen X – 38-50yrs
Millennials – 19-37yrs
Not yet in workforce

50M fewer workers between 38-50yrs
Workforce Demographic Trends

- **15.1%** Fewer people in Gen X
- **Mature workers** Want and need to work
- **Millennials** 75% of the workforce by 2020
- **Job shift** 50% of all today’s jobs obsolete in 10 years
Top 10 Reasons People Leave

Work Institute 2017 – Retention Report

1. Career Development (22%)
2. Work-life balance (12%)
3. Management behavior (11%)
4. Compensation and benefits (9%)
5. Well-being (9%)
6. Retirement (8%)
7. Involuntary (8%)
8. Relocation (8%)
9. Job characteristics (7%)
10. Work environment (6%)
Gallup Poll

**Active Disengagement Costs $$$$$**
Gallup estimates $450 - $550 billion per year

**Only 35% of Managers are Engaged**
The more engaged the leader, the more engaged the team

**Leadership Talent Deficit**
Only 10% of workforce and 18% of leaders have the skill to lead

**Mission and Purpose**
Top drivers of engagement are connected to mission and purpose
Dearth of Leadership

Leadership by anointment

Lack of training for supervisors, managers, executives

“The Peter Principle” lives

Young people don’t want to lead
The Perfect Talent Storm

Demographics

Disengagement

Dearth of leadership

Thriving economy
The Real Cost of Turnover

Gallup Organization
44~244% of base salary

Harvard Business
3~6 times annual salary

Saratoga Institute
100% of base salary

Bliss-Gately
150% of base salary
Long-Term Impacts

Culture of mis-hires and mistakes
Leadership potential void
Empty bench
Decline in corp stock value
Company values drop with growth
Workplace Trends & New Mindset
What’s Next?

6 of top 10

Workplace trends are directly related to Culture Transformation, Learning & Development and Engagement

According to Forbes 2018 Workplace Trends Forecast
Understand Your People

Psychology of workforce
Generational differences
Values and motivators
Behaviors, attitudes, beliefs
Tie in task to impact
Competitive Talent Innovation

Front Burner Items
- Culture
- Diversity
- Engagement
- Retention

Hot Items
- Talent Acquisition & Selection
- HR shifts to Talent Management

Deloitte’s 2015 Global Human Capital Trends
Engagement and Optimization

Values and Mission-driven Culture
Performance Management redesign
Overwhelmed Employees
Corporate Learning transformed & key
Re-design Talent Acquisition & Employee Selection

Talent Mobility & Career Management necessary
Investment in Talent Analytics & Workforce Planning
Leverage Talent Technology
HR re-design and professional development
Change of Mindset

Old Reality

• People need companies
• Machines, capital & geography are competitive advantage
• Better talent makes some difference
• Jobs are scarce
• Employees are loyal and jobs are secure
• People accept the standard package they are offered

New Reality

• Companies need people
• Culture is our competitive advantage
• Better talent makes ALL the difference
• Talented people are scarce
• Employees are mobile and tenure is rare
• People need so much more
Leadership Must Think Outside the Box

Old Mindset About People

- A vague notion that people are our most important asset
- HR is responsible for people management
- We have a two-day succession planning exercise once a year
- I work with the people I inherit

New Talent Mindset

- Deep conviction that better talent leads to better performance
- All managers are accountable for strengthening their talent pool
- Talent management is a central part of how we run the company
- I take bold action to build the talent pool I need
Employee Engagement

- Mission and vision
- Work and life
- Safety
- Excitement
- Good future
- Respect
- Recognition
- CSR efforts
- On-the-job training
- Trust seniors
Overall Talent Strategy
Five Families of Engagement

- Environmental
- Relationship
- Support
- Growth
- Compensation
Elements Impacting Engagement

- Work/Life Balance
- Family Centeredness
- Care of the Individual
- Flexible Workplace
- Personal Growth
- Social Responsibility
- Educating Future Workers
- Meaningful Rewards
The life of your company depends on the culture you inspire.
Courage and Commitment
Thank You!

For a free assessment, text HRLEADER to 44222
Q&A
Thank you for your participation today!