



WORKFORCE MOBILITY AND THE WAR FOR TALENT

Organisations still find themselves facing a skills shortage, in spite of the current recession. This situation will worsen with economic recovery and the impact of wider demographic changes. Workforce mobility is the new battleground for competitive organisations. Vincent Belliveau reveals how learning and talent management can help.

In the UK alone, there was a 13% increase in job vacancies in the year between May 2010 and May 2011, and organisations are having to offer double-digit pay increases in order to attract staff with certain in-demand or rare skills. Offering such pay incentives is simply unsustainable over the long term as the war for talent intensifies.

Many organisations can expect to lose some of their most experienced, senior and loyal staff over the coming years, as the Baby Boomer generation retires. Generally, up to 40% of the workforce in developed countries will retire over the next decade. In previous decades, the number of people joining the workforce made up the shortfall, but this is no longer the case in developed countries. Put simply, there are not enough people in 'Generation X' to fill the gap and 'Generation Y' does not yet have the experience or seniority.

In addition to coping with older employees leaving the workforce, organisations have to learn how to optimise the contribution

of newer, Generation Y employees. These individuals, born towards the end of the last century, have very different attitudes and expectations. In part it is a self-fulfilling prophecy; experts have predicted that this generation will have up to seven careers in their lifetime.

MY GENERATION

Constant change in world markets means there are few 'jobs for life,' and the jobs that do exist are subject to modification or obsolescence. Job security is lower, and Generation Y employees are more acutely aware that they need to forge their own career paths and keep themselves marketable for their next move. This leads them to be more focused on self-actualisation and looking critically at 'What's in it for me?' To get the best talent from Generation Y, organisations will need to be able to answer that key question.

It has never been so important for organisations to have employees with the right skills, competences and knowledge to

compete in fast-moving global markets. Paradoxically, globalisation has led to increased mobility of talented staff, not just between organisations but between countries. This holds true in every country where professional training, qualification and certification programmes are highly regarded.

A 2010 report from Manpower Inc. pointed out that this combination of demographics and skills shortage is not just a problem for individual organisations; potentially it is also a problem on a national and global scale. There is a global shortage of key skills in areas such as engineering, accounting, skilled trades, sales and executive/management functions that could inhibit economic growth.

WORKFORCE MOBILITY CAN BRIDGE THE GAPS

It is clear that workforce mobility is essential to dealing with the global skills shortage. Governments in developed and developing nations, will have their part to



play in ensuring future generations are better equipped to enter the workforce through the education system. For the most part, it falls to individual organisations to deal with the problem of existing workers.

If it is not to be left behind, each organisation needs to ascertain the size and scale of its own problem and work to increase mobility among its own employees, while also retaining – not losing – its best people. So how can this be achieved? The organisation needs to start by gaining visibility into its own people, skills and competencies through a **five-step** process.

IDENTIFY THE PROBLEM

First, an audit should be conducted to identify the organisation’s current talent, including the skills, abilities and competences of each employee.

Second, it is imperative that managers look more closely at the profiles of key players in the organisation. In today’s flatter organisational structures, this will include people who have key technical knowledge or rare skills; or those who are the fulcrum of internal networks. These people get things done and keep the organisation moving in the lower and middle ranks of the organisation.

It is essential to build a picture of where they are in their current career development and what needs to be done to retain them. For older workers, the organisation will need to consider time-to-

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retirement and how they might still be able to progress their careers, even when promotion is not an option.

Third, HR and L&D professionals need to work closely with senior business managers to identify what future talent will be needed to meet organisational objectives over the coming years. By comparing the outputs of the first and second steps to those of the third, they can identify potential knowledge and skill gaps and start planning ahead to mitigate those risks.

Fourth, evidently many senior managers are Baby Boomers themselves and so the organisation need to identify its prospective future leaders. Who are the potential high flyers among the more junior, less experienced employees?

Fifth, the team needs to collate all this information and identify the strategies that need to be created to make sure the organisation builds a pool of talent to meet its current and future needs, thus ensuring the expertise of leavers and retirees is not lost.

By constantly refreshing its information in

these key areas, the organisation can build a picture of its on-going succession planning needs. This will ensure that its talent management strategy dovetails with organisational priorities and delivers internal workforce mobility.

DELIVERING MOBILITY BY DEVELOPING TALENT

Internal mobility only grows from having an organisation-wide approach to talent management. If effort has been made to ensure all employees have the opportunity to extend their skills and knowledge, there will be a greater pool of talented individuals to move into job vacancies or newly-created roles. They will take on more responsibility, gain exposure to different business areas and develop a flexible career path.

However, this requires the organisation to be proactive in nurturing and retaining talent – from ambitious Generation Y joiners to older, experienced employees who may have as-yet unfulfilled career ambitions and the energy and enthusiasm to learn and deliver results. And it requires transparency around the career paths and

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development opportunities that are available to employees – all tailored to the organisation's current and future talent requirements.

COST EFFECTIVE

Recording each employee's career history and performance is not enough; effective talent management, succession planning and career pathing demand flexible, robust systems that can be used by all parties for their own needs. An organisation-wide, integrated learning and talent management system is the most efficient and cost effective way of delivering the necessary data and consistent insight to support smarter decision-making.

It also can deliver learning at the desktop and provide functionality that allows employees to identify potential career opportunities and plan their career paths. The system should be configured to automatically suggest further learning and development opportunities based upon each employee's preferences; and to track progress against set objectives.

Employees and managers can then use the system to identify learning, development and coaching opportunities commensurate with the individual's aspirations; particularly those the employee will need to undertake in order to make their next lateral or upwards step. New challenges help keep work fresh, interesting and motivating for older employees who have no desire for further upwards promotion.

Ambitious, younger employees will want to know that the experience they gain will help them make their next career move. This accessibility of opportunity can make the difference between retaining and losing talented employees across the organisation. And, it helps managers continue the cycle of using development-driven performance management as a carrot to challenge, motivate and reward their teams.

HUMAN CAPITAL IS THE DIFFERENTIATOR

It is a truism for HR and L&D professionals that people are the organisation's greatest asset. But the Manpower report went further than that, by suggesting that access to human capital will replace access to financial capital as the key differentiator for competitive organisations once the global recession ends. That is why an increasing number of forward-looking organisations are developing true talent mobility, where there is flexibility and agility in terms of how and when roles can be filled.

Four steps to development-driven performance

To foster talent mobility, employees should possess the appropriate combination of skills, knowledge, abilities and experience so they can be moved into a variety of different roles, according to the organisation's strategic requirements. This increases the importance of decisions regarding employee training and the learning and development opportunities made available to them. It is far easier to make effective decisions when the organisation has adopted a development-driven performance management strategy, but implementing such a strategy requires cultural change and the deployment of the right technology to support the alignment of L&D and performance management.

Step One: Build consensus among the different HR functions. A fully integrated system that supports development, talent and performance can only be fully exploited if each team is aware of the possibilities of such systems and has bought-into exploring the opportunities to improve and align current processes. Individuals may fear losing autonomy or budget, so a roundtable discussion can help bring expose and address concerns.

Step Two: Analyse the current processes in each team and then identify more efficient ways to automate or align learning, competence, performance and succession management. It is most effective to use the end goal as a team's main target, and then identify the processes that flow towards that goal. Do this from the perspective of each of the main stakeholders – employee, business manager, business executive and L&D/HR professional. The more all parties buy into the main goal, the easier it is for employees and managers to adopt the system, and the greater the chance that it will deliver material added value.

Step Three: Examine the existing technology to determine the most cost effective way of supporting development-driven performance management. It may be possible to extend an existing system, or to automate a process so it is more efficient. Alternatively, the team will need to look at integrated external solutions. Integrating several legacy systems may be costly and lengthy to implement. By comparison, a suitable Software-as-a-Service (SaaS) solution can be deployed quickly, with all core processes covered within an integrated suite. In addition, SaaS deployments are less likely to be problematic, as they utilise web-based access and technology with a proven track record.

Step Four: Start with a small pilot project to address the needs of a particular team, function or division. Then progressively extend the rollout across the business. As with any change project, the introduction of the system will need to be backed by communication campaigns and other activities, such as road shows, to increase awareness and encourage adoption. It's important to convince people that, 'performance management' is 'management.' Once the performance management system has been rolled out successfully, learning and HR professionals should then continually examine how they might make their processes more sophisticated or powerful.

This could include adding extra layers of functionality (such as career pathing or social collaboration tools), deploying L&D programmes more tailored to the actual human capital requirements of the organisation; or further enhancing the performance appraisal process, for instance, incorporating peer reviews.

In effect, they are ensuring that the human capital of the organisation remains constant, irrespective of retirement, career moves or market developments.

Delivering such a strategy means bringing your people with you. The good news is that the same tools, strategies and processes can be used to different ends for employees of different ages, skills and levels of seniority.

Fundamentally, most people share a similar

desire to be recognised and rewarded appropriately for their contribution. Organisations that fail to appreciate this will lose the global talent war.

*Vincent Belliveau, general manager of Europe, Middle East and Africa, Cornerstone OnDemand
www.cornerstoneondemand.co.uk
info_UK@cornerstoneondemand.com*