

Executing Talent

Management Strategies With Technology

SOFTWARE SUITES BRING TOGETHER HR PROCESSES AND TALENT DATA, MAKING MANAGEMENT IMPERATIVE.

BY LEIGHANNE LEVENSALE

Most organizations today have implemented independent human resources (HR) software that was designed to automate and capture data about separate processes, such as recruiting, performance management, compensation planning, succession planning and learning management.

Typically, these systems were implemented over time to create a tapestry of useful but non-integrated applications, each of which uses an independent data model and a different user interface. In such scenarios, data that could provide valuable business intelligence often “falls between the cracks.” For example, gaps in critical competencies identified in performance assessments are not identified on employee learning plans. Or the recruiting sources that produce the highest performers are not captured, and therefore business units don’t have the information that can help them focus limited recruiting resources.

These and many other high-value talent initiatives cross over multiple functions, thereby requiring integrated business processes and data management.

Talent management suites that bring together disparate HR processes and talent data make talent management an organizational imperative. At their best, suites facilitate process integration and data sharing by:

- >> offering the full spectrum of end users more predictive planning;
- >> enabling better talent conversations;
- >> fostering more effective decision making; and
- >> ensuring organizational alignment to execute on the business strategy.



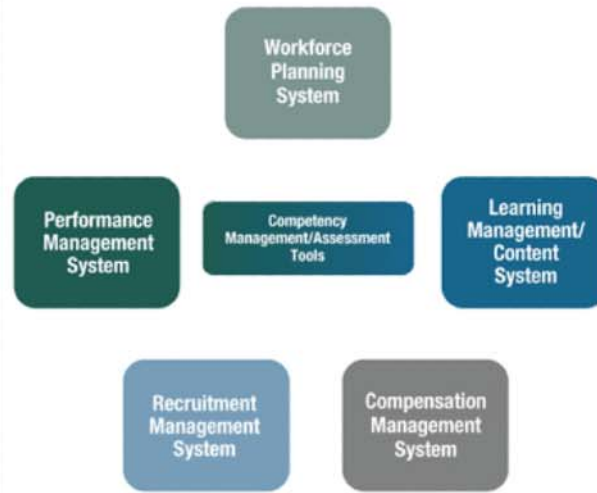


EXAMPLES

Experienced companies are using information captured in talent management suites in ways not previously possible. Some examples:

- >> **Workforce planning.** Determine if there are any gaps in the available talent pool to most effectively and efficiently support the business strategy. Workforce scenarios can be mapped out to determine the most effective approach to closing the gaps and driving decisions regarding internal sourcing from succession plans or talent pools, external recruiting, development programs or organizational realignment.
- >> **Career development.** Empower employees to search and apply for internal opportunities. Employees can compare their backgrounds, skills and competencies with those recommended for a desired position to determine if they are qualified. Identifying suitable learning and development opportunities can close the gaps and prepare them for new positions. Managers can also search for qualified employees with the attributes, licenses, skills and competencies that match an open position.
- >> **Quality of hire.** Identify the attributes of top performers with a success pro-

Talent Management Technologies



Un-integrated

- Different data models and data sharing
- Different interfaces
- Differ deployment models
- Different support models
- Different budgets
- Different owners

employment services, tracks time to proficiency of new hires through competency assessments that are translated to better predict time to productivity and profitability.

- >> **Performance development planning.** Integrate performance management and learning management to identify gaps in performance drivers and competencies to create an actionable

Create targeted leadership development programs to prepare potential successors for critical jobs.

- >> **Pay for performance.** Enable line-of-business managers with the tools to more effectively differentiate employee performance and allocate merit-based pay to achievement of business objectives at the individual, organizational and enterprise levels.

Organizations looking to purchase a talent management suite should note that this market is still being defined.

VIVE LA DIFFÉRENCE!

This potential of integrated talent management suites seems to resonate with HR executives. Fifty-five percent of respondents in a recent research survey expressed interest in an integrated talent management suite (with 36 percent of those same respondents admitting that they are still unfamiliar with what a solution looks like).

However, very few companies (less than 5 percent) have actually implemented more than one application within a suite.

Organizations looking to purchase a talent management suite should be aware that this budding market is still being defined. At least 25 vendors now claim to offer a full or partial talent management suite — many of which offer more marketing than reality.

What constitutes an “integrated” suite can vary widely from vendor to vendor. We believe most vendors are just beginning to uncover the potential for developing solutions where “1+1=3” — that is, because of the value of the integration, the

file that can be used in recruiting and hiring processes.

- >> **Onboarding.** Capture employee history and assessment results from the recruiting process to define development plans and populate the employee profile — especially for organizations that hire for potential against a leadership capability model. Also, competency assessments can be used to determine and track time to proficiency for new employees, as well as employees in new roles. For instance, Randstad, a provider of professional

development plan with targeted experiences to close the gap.

For Washington Mutual, a leading retailer of financial services for consumers and small businesses, this type of integration also provides a systematic approach for identifying organizational competency gaps to prioritize learning and development efforts and expenditures.

- >> **Succession planning.** Build succession plans to develop and promote high-potential employees identified in the performance management process.

suite offers new and higher value than can be gained through individual applications.

Another key factor in the swelling interest of talent management systems is the availability of on-demand suites in the multi-tenant, multi-user model. The software-as-a-service (SaaS) model can accelerate the time to deployment, reduce IT infrastructure costs and management, and help companies avoid the time and costs of upgrading every two to four years to take advantage of new functionality.

In addition to the scenarios previously mentioned, be sure to look for the following eight key system attributes that are essential to enabling integrated talent management. When evaluating talent management technology, it is also very important that you evaluate the platform against use-case scenarios that reflect your desired talent management processes.

- 1) Consolidated data model
- 2) Consistent security model
- 3) Employee profile
- 4) Shared competencies
- 5) Unified user interface
- 6) Configurable process management
- 7) Shared workflow
- 8) Analytics

KEYS TO SUCCESS

The following keys to success represent commonly cited themes and comments from our research.

1 Develop a business-driven talent management strategy, not an HR strategy with pure HR goals. The strategy should clearly articulate a vision for the company's workforce needs — present and future — as well as the talent pools that will serve those needs.

2 Ensure effective governance. Talent management should be a collaborative effort between the executive suite, HR and business leaders.

3 Take it one initiative at a time — but don't be myopic, and make decisions and designs without considering the impact to other initiatives and long-term objectives. This is particularly true with selecting a technology platform.

4 Focus on the role of the line-of-business manager. Managers are the stewards of the talent in the organization. They:

- >> ultimately define the competencies and skills required to execute on the business strategy;
- >> are responsible for the management and development of talent; and
- >> identify and motivate top performers.

Yet most organizations do not spend enough time supporting managers with robust coaching programs and process training. Experienced companies recommend a few interventions:

- >> define the skills and competencies required for leaders to manage their talent more effectively;

>> incorporate their talent management philosophies, practices and processes into their leadership development programs; and

>> include talent management practices as objectives aligned to key measures on performance plans for managers.

5 Spend considerable time on change management. Talent management requires significant behavior changes in how we identify, manage, motivate and develop our talent. Leadership development and coaching programs (as well as operational training programs for managers) will need to reflect the changes in values and activities to drive the new culture. Regular executive communications and modeling of best practices are key elements to driving effective and sustainable change.

6 Develop a clear business case for talent management technology by ensuring that it can be justified by business drivers that are important to executives, not just HR.

7 Use talent processes consistently across business units to capture meaningful and reliable data, and create opportunities to more effectively share talent.

CONCLUSION

Faced with talent shortages and growing competition for quality talent, experienced companies focus on developing and implementing prescriptive talent management strategies. This high-impact approach begins with a clear understanding of the business strategy and business climate in order to articulate vision for the company's workforce needs — present and future — as well as the talent that will support those needs.

From there, HR practitioners address how the organization can most effectively improve and integrate specific strategic human resources initiatives to attract, manage, develop and motivate talent to support the business objectives. ¹

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Integrated Talent Management

