



**NEXT PRACTICE**

# Talent Management

Dr Marna van der Merwe  
*August 8, 2024*



# Session Overview



The current state of talent management



3 evolutions for impact



Actions to elevate your talent management approach



**1**

# The current state of talent management

## How much focus and attention is placed on TM in your HR strategy?

- a. It is the core focus of our HR strategy
- b. It is one of the most important focus areas
- c. It underpins many of our other focus areas
- d. It is not a big priority for us at the moment



# Talent management is receiving increased attention

**#1** | Volatility and disruption

**#2** | Talent shortages

**#3** | Potential for impact beyond the organization

**72%** of CEOs are concerned about the availability of skills

Talent management software market will reach **\$17.6 billion** by 2025

**15% - 20%** increase in spend per employee on hiring, development and benefits since 2022

## **The current state of talent management**

**#1** | Volatility and disruption

**Why AI Is about to blow up the whole people management concept**

**The AI Workforce is Here: The Rise of a New Labor Market**

**Reimagining labor to close the expanding US semiconductor talent gap**

**Intel to cut 15,000 jobs as it tries to revive business and compete with rivals**

# The current state of talent management

## #2 | Talent shortages

### The \$8.5 Trillion Talent Shortage

An extensive new Korn Ferry report finds that by 2030, more than 85 million jobs could go unfilled because there aren't enough skilled people to take them.

**Deputy: Shift worker turnover reaches 80% in the UK and US**



**The talent gap: The value at stake for  
global aerospace and defense**

**How companies are addressing  
fresher & infant attrition**

# The current state of talent management

## #3 | Potential for impact beyond the organization

**McKinsey: GDP could be 1.5% higher if employers are able to fill their vacancies**

**Why businesses must harness overlooked veteran talent**

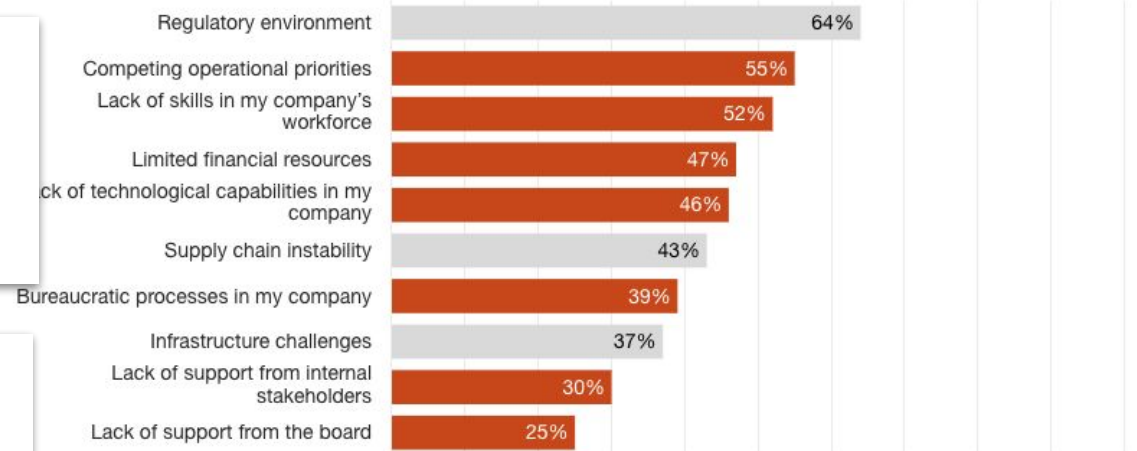
**45%**

of CEOs believe their company will not be viable in ten years if it stays on its current path.

**Question:** To what extent, if at all, are the following factors inhibiting your company from changing the way it creates, delivers and captures value?

(Showing only 'to a moderate extent,' 'to a large extent' and 'to a very large extent' responses)

Stronger CEO influence Weaker CEO influence



Source: PwC's 27th Annual Global CEO Survey



## How do you define success in talent management within your business?

- a. We are able to attract, develop and retain talent
- b. We have the right talent at the right time in the right roles
- c. We have succession plans in place for critical roles
- d. We mitigate talent risks to ensure we retain talent
- e. We can compete for talent externally



# What are our flawed assumptions in talent management?

We have a 'traditional' workforce

Work is delivered through roles

The external talent market is stable

Levels of maturity in technology and data

## What do we need to focus on?

Evolve how we define talent and talent management

Expand the potential impact of talent management

Become adaptable and responsive

Rethink 'talent pools'

Technology and data as foundational



2

## 3 evolutions for impact

# How can we evolve talent management?

## ***Evolution #1***

**Adopting skills-based approaches in talent management**

## ***Evolution #2***

**Talent management + Career management = Talent experience**

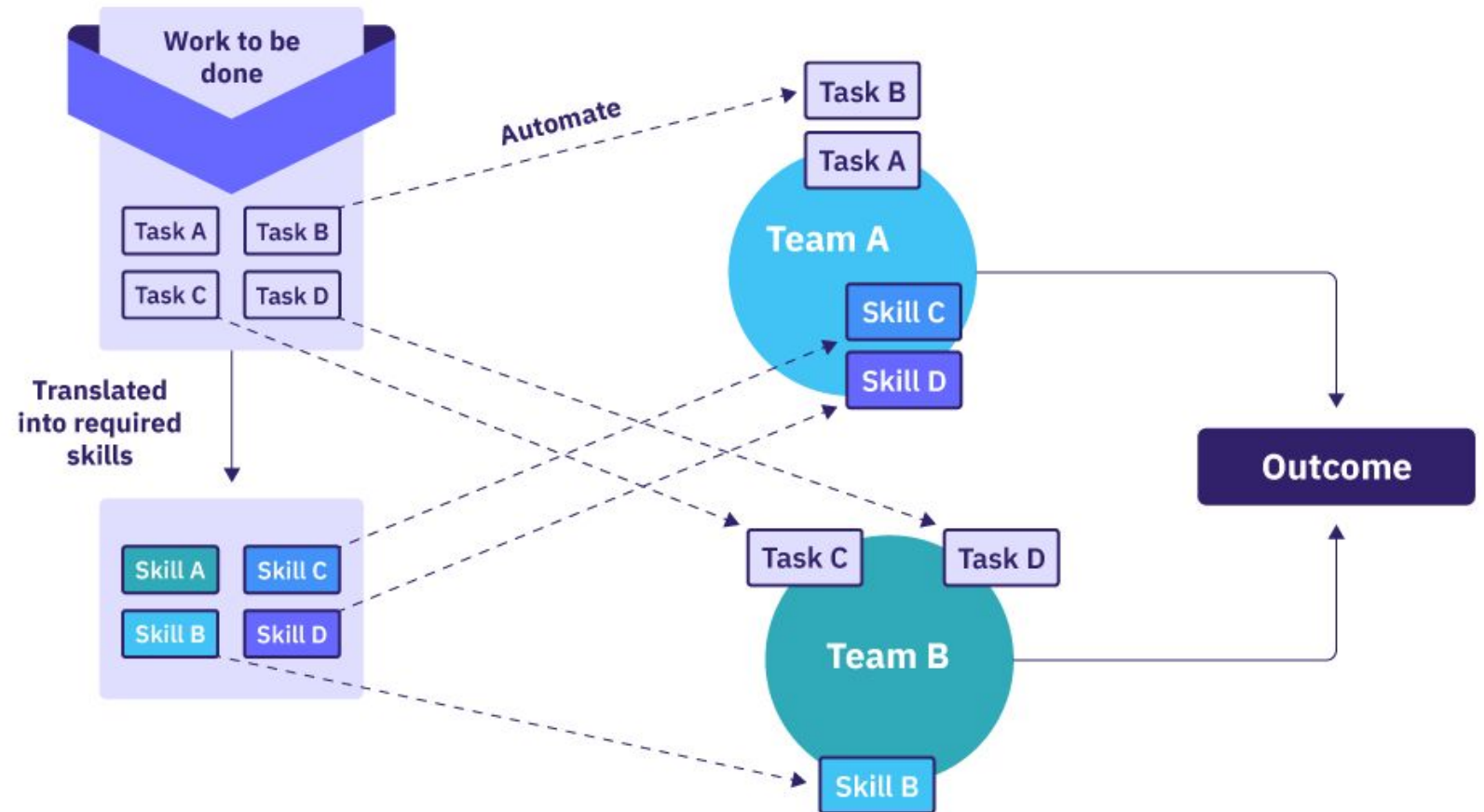
## ***Evolution #3***

**Leveraging technology and data intelligence**

## Adopting skills-based approaches in talent management

### What does it entail and why is it relevant?

- ❑ Pixelation of work and the workforce
- ❑ 'Unboxing of jobs'
- ❑ Redefining 'talent'
- ❑ Strategic management of the demand and supply of skills



# Adopting skills-based approaches in talent management

## BENEFITS

- Adaptability and responsiveness to change
- Greater ability to access skills
- Greater understanding of skills required
- Fit-for purpose for entry-level, operational and project-based work
- Enables portfolio careers (collection of career experiences)



## POTENTIAL PITFALLS

1. Only adds value if translated into other practices
2. Risks over over-complicating or over-simplifying the approach
3. Difficult to embed, as it also requires leadership and cultural change
4. Relies on data and technology to implement

***NOKIA success story***

## Adopting skills-based approaches in talent management



### 5 STEPS TO MAKE IT PRACTICAL:

1

#### Build the business case

- Is it fit-for-purpose?
- What does it need to solve?

2

#### Decide where to start

- Which talent management practices do you want to start with?
- How do you define skills?

3

#### Deconstruct jobs

- What tasks and activities underpin the roles?
- How can these be organized as jobs, assignments and projects?

4

#### Define skills

- What are the skills needed?
- How do skills relate to each other?
- What skills do you have?

5

#### Implement and transition

- [How should skills be incorporated into HR practices?](#)
- How do you support employees to build portfolio careers?
- How do you manage the change?

# Talent management + Career management = Talent experience

### What does it entail and why is it relevant?

- ❑ Careers are evolving and what employees expect of the organization
- ❑ Talent management decisions impact career experiences
- ❑ Aligned expectations





**Talent management + Career management = Talent experience**

**BENEFITS**

- Develop skills aligned to what the organization needs
- Managed talent supply
- Flexible and engaged talent
- Transparency and managed expectations of talent
- Positive employee experience



**POTENTIAL PITFALLS**

1. Gaps between talent management and career enablement
2. Leadership and culture are critical to the success of this approach
3. Requires practice-level design and implementation, across various functional HR areas

***Starbucks success story***

# Talent management + Career management = Talent experience



## 5 STEPS TO MAKE IT PRACTICAL:

1

### Evaluate current talent experience

- What lived experiences does the current talent management approach deliver?

2

### Identify biggest gaps

- Where are the biggest gaps?
- Which moments that matter should be focused on?

3

### Define the desired experience

- What do you want talent to think, feel and do during the talent management process and practices?

4

### Align talent management practices

- Where do the current practices have to be adjusted to deliver the desired experience?

5

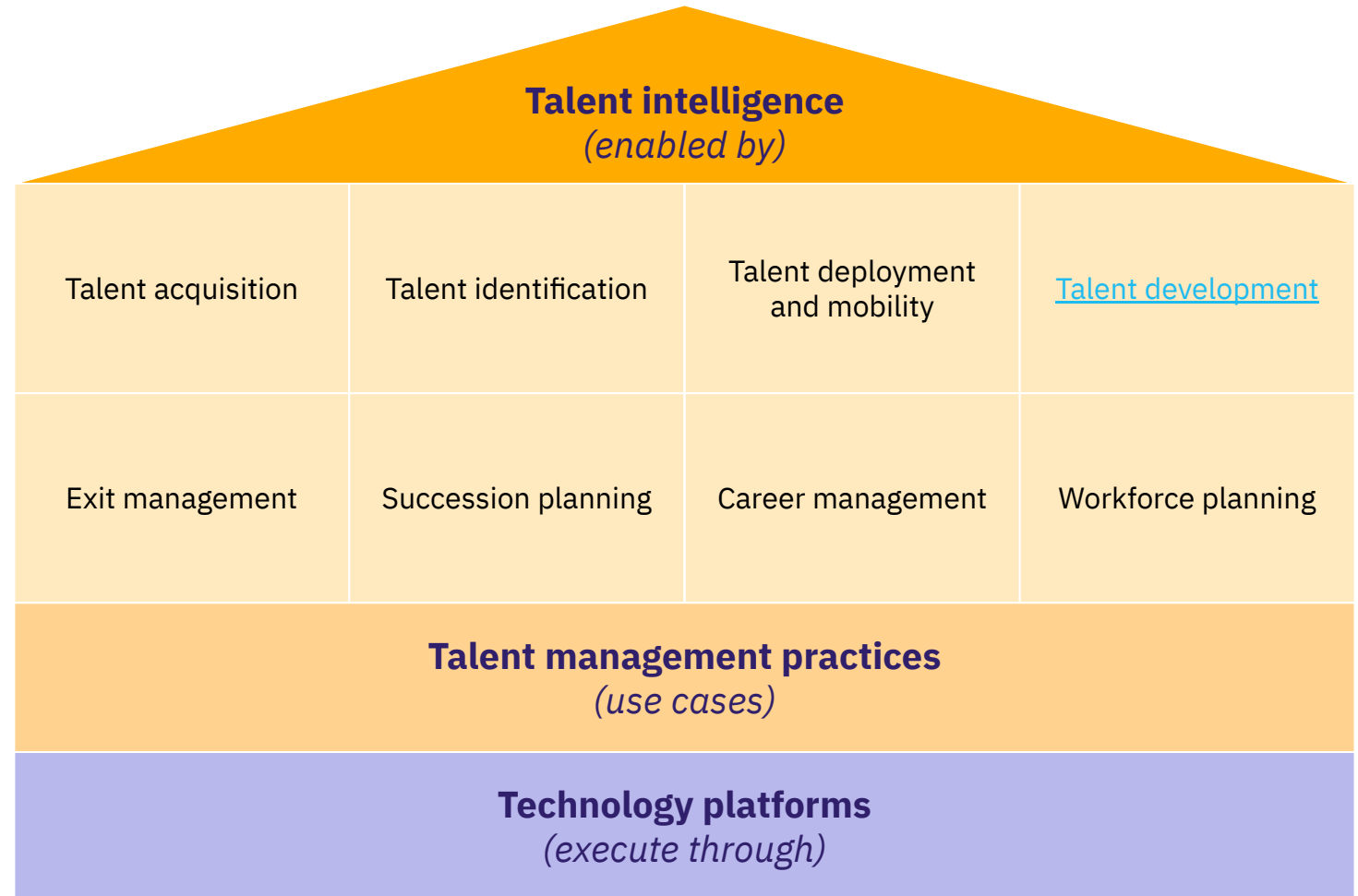
### Align career enablement

- What additional career enablement is required to deliver the desired experience?

# Leveraging technology and data intelligence

### What does it entail and why is it relevant?

- ❑ Technology is required to enable talent management in an agile way
- ❑ Talent intelligence drives objectivity and informs decision making



## Leveraging technology and data intelligence

### BENEFITS

- Allows scaling of talent management practices across the workforce
- Delivers a consistent experience
- Creates efficiency in the process
- Adds objectivity to decision making
- Agility and responsiveness
- Integrates practices laterally
- Democratizes talent data and maintenance



### POTENTIAL PITFALLS

1. Requires financial investments
2. Needs to be fit-for-purpose, not just best in class
3. Does not replace human judgement and intervention
4. Technology is not a silver bullet

***Unilever success story***

# Leveraging technology and data intelligence



## 5 STEPS TO MAKE IT PRACTICAL:

1

### Identify technology and data needs

- What type of technology platforms are required?

2

### Define technology requirements

- What capability should the technology platform have?

3

### Select appropriate vendors

- What vendors fit the scope, requirements and budget available?

4

### Set up data architecture

- How should data be structured?
- Who should have access to the data?
- How will data be maintained?

5

### Implement and transition the business

- How should various stakeholders be enabled to use technology effectively?
- What [guardrails](#) should be put in place?



3

# Actions to elevate your talent management approach

# Questions for reflection

What are the business challenges that talent management has to solve?

How do you define 'talent' and is this still relevant?

How do you incorporate skills into your talent management approach?

What lived experience is your talent management approach delivering?

What technology investments should be made?

*Relevance*

*Impact*

*Value*