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Working Group: Talent Strategy: Disruption and its Implications for Talent Acquisition and Development
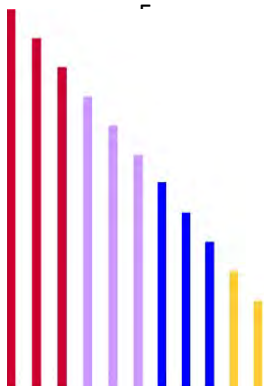### hosted by Estée Lauder

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Key Takeaways

1. In the face of a variety of disruptive forces, companies are evolving their talent strategies to be more aligned with business needs, forward looking, and able to flex to the diverse values and needs of their employees.

2. Two key talent challenges many companies face involve sourcing difficult to find talent and developing the next generation of leaders. Technology is playing an increasingly important role in helping companies to identify and attract talent in highly competitive areas. Leadership development efforts leverage a mix of social learning, experiential learning, and formal training elements, supported by various assessment tools.

3. Two themes that increasingly underlie companies' talent efforts are democratization and transparency. Companies are striving to democratize learning and career development by providing employees with greater insight into their skills and the opportunity to pursue personalized learning paths. At the same time, they are looking to increase transparency by sharing information about the anticipated future demand for skills and, in some cases, engaging in more open discussions about employee potential.

4. As companies evolve their talent strategies they recognize that the capabilities talent management professionals need going forward will also evolve. Capabilities expected to become increasingly important include leveraging data-driven insights, consulting skills, managing complexity, risk tolerance, and agility.

Participating Companies

Accenture
AstraZeneca
Bloomberg
Boston Scientific
Estée Lauder
General Electric
JPMorgan Chase

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Technological, demographic, and socioeconomic forces are disrupting business models and driving changes in the nature of work and organizations. These changes have potentially important and widespread implications for talent, which is causing many organizations to take a step back and reexamine their talent management strategies and practices. Some of the issues currently being explored include creating a more integrated talent management strategy, better aligning talent management with business strategy, leveraging emerging technologies in talent acquisition and development, and addressing current or anticipated gaps in the talent pipeline.

In this CAHRS working group, we discussed the disruptions that companies anticipate over the next several years and the implications for their talent strategies. We also explored other key questions surrounding the evolving talent management practices within companies. A few of the key themes and insights that emerged during the day are summarized below.

Evolution of Talent Strategy

The group began the day by discussing how their talent strategy has been evolving in response to various disruptive forces. A few key themes emerged from this discussion:

- *Moving out from the center:* A number of companies noted that they have increasingly shifted talent management from a Center of Excellence (CoE) to the business. This shift is being driven largely by changes in the business that require new skills and greater local relevance. While this shift offers a number of benefits, it can also lead to inconsistencies and impede talent mobility.

- *Future of work and the workforce:* Overall, most companies indicated that they have not yet witnessed significant upheaval in their talent strategy due to changes in the future of work and the workforce. However, they are trying to be proactive in terms of future-proofing their talent strategy against some of the anticipated changes. For example, companies are recognizing that next generation talent want greater variety in their careers and are working to build the tools and processes that can support this.

- *Focus on work and life:* All employees, but particularly those in younger generations, are placing greater value on the ability to achieve their desired level of work-life harmonization. For instance, some companies are finding that people are passing up senior roles because they do not want to disrupt this balance. Younger generations also appear to place greater weight on finding work that offers purpose and meaning. Talent strategies need to adapt to account for the shifting values of employees.

- *Variable lifespans:* Companies are also recognizing that the typical lifespan of an employee varies widely from one area to the next. In areas such as digital, for example, an employee may be expected to stay with the company for only two to three years on average. While in other areas, such as finance, individuals are still following more traditional career notions. This is forcing companies to build more flexible talent strategies that can accommodate these differences. One-size-fits-all no longer applies.

- *Boomerangs:* Given the shrinking lifespan of certain employee segments, some companies are increasingly embracing boomerang hires. Others remain committed to more traditional notions of loyalty, such that if employees leave they are not welcomed back. The mindset a particular company adopts appears largely dictated by the views of the top management team.

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Building Talent Pipelines

Two of the key talent challenges that many companies face involve sourcing difficult to find talent and developing the next generation of leaders. The group spent some time discussing how they are tackling these issues in order to strengthen their talent pipelines.

To help identify and attract talent in science, technology, engineering and mathematics (STEM) fields and other highly competitive areas, many companies are turning to technology. For example, one company talked about how they are using virtual reality simulations to allow candidates to experience the role while also helping to convey that they are on the cutting edge. Other companies talked about how they are using algorithmic and artificial intelligence tools to help diversify their talent pools and better assess candidates against success profiles. At the same time, many companies continue to find significant success with tried-and-true methods, such as prestigious rotational leadership development programs and robust apprenticeship programs.

In the area of leadership development, companies are utilizing a broad array of programs and practices. Development programs often consist of a mix of social learning (e.g., coaching and mentoring), experiential learning (e.g., stretch assignments), and more formal training and education. The latter is typically delivered through a mix of both digital and face-to-face programming. Some companies found that they went too far in terms of digital learning and are trying to revert back to more face-to-face learning, although it can be difficult to scale. These various programs are often run at both the firm-level and business-level to provide individuals with a mix of generic leadership skills and more business specific capabilities, and they are often supported by 360 degree feedback or other assessments that highlight individuals' critical learning needs. Across companies a key challenge involves creating the time for individuals to engage in learning and development in today's fast paced environment. It is important to be flexible so learning can be worked into the natural rhythm of different businesses and to also hold managers accountable for developing their talent.

Democratization and Transparency

Two key themes that increasingly underlie companies' talent efforts are democratization and transparency.

In the democratization front, companies are looking to put more control over learning and career development in the hands of employees. For example, through a combination of artificial intelligence and manual employee input, companies are increasingly able to provide employees with insight into their skills and the opportunity to pursue personalized learning paths. They are also creating platforms where employees can bid for short-term projects that they allow them to build new capabilities.

At the same time, companies are trying to drive greater transparency by providing employees with insight into the anticipated future demand for their skills so they can make informed learning and career choices. Transparency around high potential designations still varies across companies, although in recent years many companies have moved toward more open sharing of potential information with employees. Finally, some companies have expanded access to people analytics dashboards to team leaders and others who would benefit from having greater insight into the makeup of their group.

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Future Talent Management Capabilities

As companies evolve their talent strategies they recognize that the capabilities talent management professionals need going forward will also evolve. One increasingly important area is talent analytics. Companies are using an expanding array of technologies (i.e., artificial intelligence) and methodologies (e.g., network analysis) to assess and gain insight into their talent. While not every talent management professional will need to be a deep expert in these technologies and methodologies, they will need to be proficient in using the data-driven insights to inform workforce planning, strategy development, and talent decisions.

Other capabilities that are expected to gain greater importance in the future include consulting skills, managing complexity, risk tolerance, and agility. To develop agility many companies are trying to move their talent professionals frequently, including outside of HR, so they are exposed to different areas of the function and can gain a variety of experiences.

This Summary Report was prepared by Brad Bell for participants of the Talent Strategy: Disruption and its Implications for Talent Acquisition and Development Working Group.
The Center for Advanced Human Resource Studies (CAHRS) is an international center serving corporate human resources leaders and their companies by providing critical tools for building and leading high performing HR organizations. CAHRS' mission is to bring together Partners and the ILR School's world-renowned HR Studies faculty to investigate, translate and apply the latest HR research into practice excellence.

Cornell University
ILR School
193 Ives Hall
Ithaca, NY 14853

Phone: 607-255-9358
Fax: 607-255-4953
E: cahrs@cornell.edu
W: cahrs.ilr.cornell.edu

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