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IBM Institute for Business Value

Integrated talent management

Part 2 – Surviving corporate
adolescence and reaching
organizational maturity

Human Capital
Management



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IBM Global Business Services, through the IBM Institute for Business Value, develops fact-based strategic insights for senior executives around critical public and private sector issues. This executive brief is based on an in-depth study by the Institute's research team. It is part of an ongoing commitment by IBM Global Business Services to provide analysis and viewpoints that help companies realize business value. You may contact the authors or send an e-mail to iibv@us.ibm.com for more information.

Human Capital Institute

Strategic Human Capital Management is the most powerful lever for innovation and growth in today's knowledge economy. Corporate market value is increasingly defined as the sum of human intangibles – ranging from the public perception of a company's intellectual capacity, to its perceived ability to create new solutions, enter new markets and respond to change. In this new world, new leadership models are emerging. The

Human Capital Institute is a membership organization, think tank and educational resource for the professionals and executives in management, HR, OD and recruiting, who are at the forefront of this new movement.



Integrated talent management

Part 2 – Surviving corporate adolescence and reaching organizational maturity

By Tim Ringo, Allan Schweyer, Michael DeMarco, Ross Jones and Eric Lesser

Growing up has never been easy, for people or for organizations. Both progress through various stages of life – from infancy to maturity – facing constant internal and external struggles to survive and hopefully, to thrive. In today’s globally-integrated marketplace, these challenges can be amplified. Our research identifies four broad stages of growth, each with particular talent management issues. Here, we offer the forward-looking human capital practitioner guidelines for anticipating and heading off the next set of challenges before they happen.

Organizations can now go from the proverbial garage start-up to global corporations in a matter of a few short years. Of course, they also may end up shuttered altogether or acquired by a larger organization.

No matter at which pace an organization evolves, human capital professionals and talent strategies must also evolve. While not every organization strives to grow its headcount significantly, the majority should anticipate and prepare for the next wave of challenges *before* they arrive, even while dealing with the struggles of the day. Such proactive steps can ease the challenges of

“corporate adolescence,” as well as the stages of growth after that. And, all things being equal, planning ahead can offer an advantage over competitors that are failing to look around corners.

This is the second in a series of three reports derived from recent research conducted jointly by the IBM Institute for Business Value and the Human Capital Institute on the current state of integrated talent management across a range of organizations. It builds upon themes discussed in the first report, “Integrated talent management: Part 1 – Understanding the opportunities for success.”¹

IBM and the Human Capital Institute surveyed 1,900 individuals from more than 1,000 public and private sector organizations around the world about their organization's talent management capabilities. The respondents varied by position and included people involved with HR and non-HR functions. The surveyed companies represent a variety of industries, geographies and sizes.²

Combined with 49 follow-up interviews, financial analysis and secondary research, this study provides a unique window into the current state of talent management practices within organizations, the gaps that exist today and recommendations for bolstering this capability.

Through this analysis, we found that the application of talent management practices varies considerably by stage in the growth cycle, as measured by the number of employees in the organization. Just as a parent is much more likely to teach a toddler to read and a teen to drive, we found that organizations are more likely to apply selected human capital practices at certain points in the growth cycle.

In this report, we highlight four key findings:

- The smallest companies naturally implement certain talent management practices, while other initiatives appear to be beyond their small scale of operations
- A glaring lack of formalized talent management practices is evident by the time companies pass the 1,000 employee mark – forcing many to deal with growing pains as they enter organizational adolescence
- Large companies with between 10,000 and 50,000 employees are responding to the talent management gap and putting the building blocks of comprehensive talent management in place
- Out of necessity, enterprises that employ 50,000 or more people are significantly more likely to conduct talent management activities than organizations of other sizes.

Organizations need to avoid the trap of having to react to workforce issues after they occur. To proactively manage expected talent management challenges, organizations should focus on building certain key capabilities at each level of organizational growth:

- While Small (less than 1,000 employees) – Formalize employee development planning processes
- Approaching Mid-size (between 1,000 and 10,000 employees) – Create scalable workforce analytics capabilities
- Growing Up – (more than 10,000 employees) – Leverage “economies of talent” through improved collaboration and the use of talent markets.

Integrated talent management

Part 2 – Surviving corporate adolescence and reaching organizational maturity

Predictable talent management challenges as companies grow

Since our survey captured responses from businesses and organizations of all sizes, we were able to conduct a detailed analysis of how talent management practices evolve as organizations grow from very small to very large, and at points in between. In conducting our analysis, we categorized organizations based on the number of employees:

- Small – Less than 1,000 employees
- Mid-size – Between 1,000 and 10,000 employees
- Large – Between 10,000 and 50,000 employees
- Enterprise – Greater than 50,000 employees.

While we believe talent managers might benefit by comparing their organizations to those of similar sizes, the real gain can come from looking ahead. The talent manager who knows where the growing organization is going can anticipate future requirements and plan for solutions that can be implemented just prior to being needed. Such efforts should help aid the overall business strategy and keep the organization on track.

The integrated talent management practices examined in our survey are based on the six categories shown in Figure 1. Each of the six dimensions contains many distinct practices that, when linked within and across categories, form an integrated talent management capability (see Figures A-2 through A-7 in the Appendix for the complete list of talent management practices).

FIGURE 1.
Six dimensions of talent management.

Talent management dimensions	Description
Develop Strategy	Establishing the optimal long-term strategy for attracting, developing, connecting and deploying the workforce.
Attract and Retain	Sourcing, recruiting and holding onto the appropriate skills and capabilities, according to business needs.
Motivate and Develop	Verifying that people's capabilities are understood and developed to match business requirements, while also meeting people's needs for motivation, development and job satisfaction.
Deploy and Manage	Providing effective resource deployment, scheduling and work management that matches skills and experience with organizational needs.
Connect and Enable	Identifying individuals with relevant skills, collaborating and sharing knowledge, and working effectively in virtual settings.
Transform and Sustain	Achieving clear, measurable and sustainable change within the organization, while maintaining the day-to-day continuity of operations.

Source: IBM Institute for Business Value/Human Capital Institute.

Having less than 1,000 employees tends to make collaboration easier – organizations of this size ranked high in attracting and retaining employees, as well as connecting and enabling their employees.

Small organizations are usually the most nimble

Small companies around the globe, and in almost every industry, serve as an important engine of economic growth. They may be entrepreneurial start-ups bent on growing fast, going public and expanding globally. They may be businesses that have chosen to stay small through carefully managed, targeted growth. They may have reached a certain comfortable size and not want to grow at all. Whatever the case, we know from our study that Small companies are significantly more likely to practice those human capital activities shown in Figure 2 than other size cohorts.



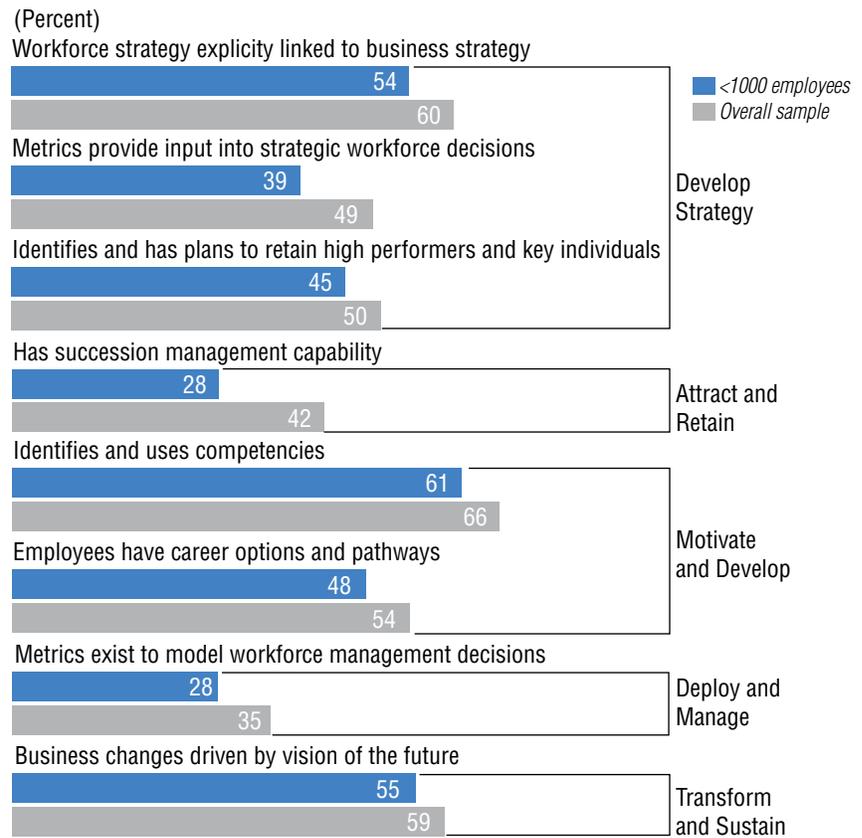
Upon closer examination, it is unlikely that these four practices are the result of formalized programs. Instead, they are positive outgrowths of “smallness.” When employees know most of their colleagues and work in an environment unencumbered by many organizational, geographic or language barriers, some talent management practices that must be formalized in larger organizations may take place naturally in well-run smaller organizations.

One example is the ability to collaborate and share knowledge. One utility with fewer than 500 employees explained, “We get people together from various areas so that they can see, meet, and discuss. The President and others go out and talk with the employees. We have tailgate morning meetings....Employees have opportunities to talk.”

At the same time, Small companies are less likely to perform certain human capital practices that may be deemed unnecessary or a luxury during startup mode. As one professional services interviewee from a Small organization put it, “Some executives think of succession planning as a nuisance.”

As such, it’s not surprising that these companies are significantly less likely to formally conduct the following talent management activities than their larger cohorts, as shown in Figure 3.

FIGURE 3.
Practices less prevalent in smaller organizations.



All results significant at the $P < .05$ level.
 Source: IBM Institute for Business Value/Human Capital Institute.

For example, the organization may not have a formal program of “career options and pathways” for high potential employees. Yet, as the organization grows, those employees who have in fact been able to successfully “swim” within the waters of the Small company will need to be given greater challenges until they reach the limits of their potential.

As one interviewee from a Small electronics/technology company stated, “The greatest challenge is in being able to have individualized development plans....Most people learn for a particular job. Some are put in a job and then they are forgotten. A lack of plans takes away integrity of the idea of people as the most important asset.”

Mid-size companies are less likely to apply key workforce practices

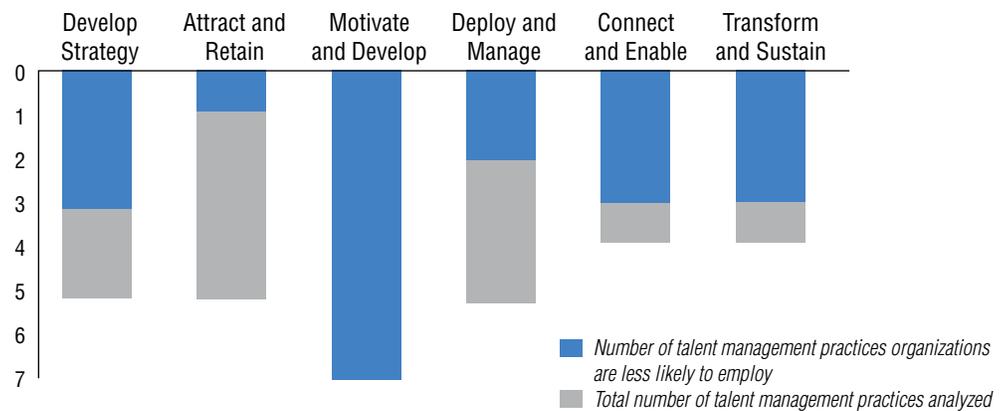
A singular focus on product or service – so necessary in enabling the entrepreneur to build a successful small company – sows the seeds for a difficult adolescence where new challenges arise.

Our research indicates that Mid-size companies are unlikely to conduct *any* of the talent management activities we examined when compared to other size cohorts. As they have evolved, it appears that they are no longer able to manage talent in an informal manner. Yet, these Mid-sized companies appear to lack the appropriate managerial focus or infrastructure to systematically execute formal talent management activities. Indeed, when it comes to talent management, many Mid-size organizations are in the midst of adolescent crisis, as shown in Figure 4. This lack of talent management capability can negatively impact an organization's ability to reach its growth potential.

As one HR Vice President told us, “The greatest challenges are in keeping our people engaged and in working with them... to develop a career track....Senior executives are aware of workforce effectiveness issues to a great extent. We have initiated a task force....Five years ago, we recognized that we were not in touch with the employees. The core staff was not being heard. Their questions were not being answered....We need to listen, and listen well to employees. Then engage them in the plan...face to face.”

One example of the struggle to motivate and develop the workforce for Mid-size organizations can be found in managers who are less likely to systematically “devote sufficient time and attention to people management activities,” with only 36 percent of these organizations doing so, compared with a still-low 42 percent for the total sample.

FIGURE 4.
Talent management practices in Mid-size companies (1,000-10,000 employees).



Source: IBM Institute for Business Value/Human Capital Institute.

Mid-size organizations seem to struggle most, due to a lack of appropriate managerial focus or infrastructure to enable the systematic execution of talent management activities.

As one interviewee from a Mid-size bank stated, "We need to focus more on talent management, but a system is only as effective as the managers. There is a perception that 'HR is just the paperwork that is required.' Managers don't see HR as a useful tool. They don't see performance evaluation as a positive process....HR gets bogged down in the tactical....HR misses the forest for the trees. HR needs to focus on the long-term perspective."

Finally, our findings suggest that Mid-size organizations struggle more than others to "understand and address workforce attitudes and engagement levels." Only 44 percent of companies in our sample believed they are able to accomplish this. Further, having multiple generations in today's workforce exacerbates this problem. As one C-level executive for an electronics/technology company explained, "There are four generations at work today, each with their own values, motivations and preferential learning styles.... We're not providing the GenXers and Millennials a place that they feel they fit in and make a difference....We are not retaining GenXers nor Millennials to replace [retiring] Veterans and Baby Boomers."

Of course, in many cases, especially when growth has been rapid, organizations lack the infrastructure for a sophisticated talent management program. At this stage, many organizations may also lack HR personnel with both tactical and analytical skills. These

are the individuals who can create the tools to enable career development planning and other personnel development strategies for the organization. Even when organizations do have these analysts available, too often they get stuck performing transactional work at the expense of more valuable analytical projects.

Said one interviewee from a Mid-size electronics/technology firm, "The information is out there and we don't leverage it much. For example, we need to be able to run the average age of the employees to anticipate retirement. We need to be more disciplined on reporting. We are not analyzing the data enough. We need comparative data with others. We need more metrics. We have some programs that are off-the-shelf and others that we use on lease. We have several stand-alone systems. They do talk to each other somewhat, but they are not integrated."

As with so many business challenges, key stakeholders often must succeed in making the case for their initiative given the limited availability of funding. According to a banking interviewee, "We are not data driven...from an HR perspective. If we get acceptance for funding, it will free us up for the long-term perspective. Then we can focus more on analysis and less on mundane data collecting. We don't have the expertise, unfortunately. I think we have a good understanding within HR.... Right now we are just trying to survive over the next year....We are trying to make executives aware of what is going on."

Large companies race for human capital competency

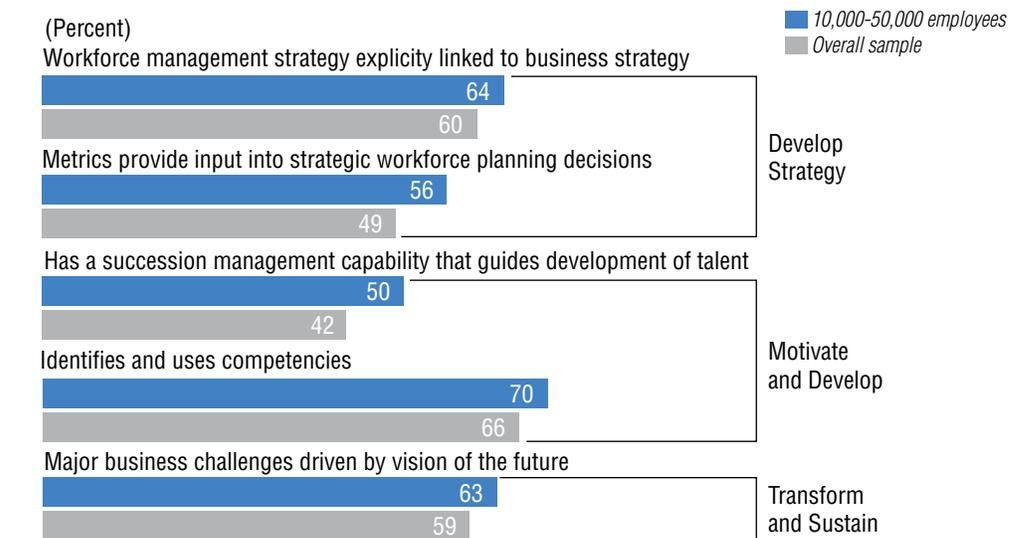
Our results clearly suggest that Large organizations have begun to manage their human capital to maintain growth and direction and help ensure competitiveness. In fact, unlike the Mid-size group, these maturing organizations are more likely to practice a number of the thirty talent management activities used in our study. As one insurance company interviewee stated, “Our ability to leverage data and information to make decisions about the workforce is fledgling, but gaining strength through senior leadership commitment to human capital metrics.”

Specifically, Large organizations are significantly more likely to formally conduct five human capital activities than organizations of other sizes, as shown in Figure 5.

These results indicate a growing comfort level with workforce planning and strategy. A best practice in this regard comes from a Large healthcare organization. According to the Vice President of Workforce Planning, “We have combined HR and business plans. They are integrated. We received the National Quality Award for this. We have a five-year planning process. For example, if Operations says that we need to expand heart surgery, then HR is at the table to say that we will need more lab technicians, more surgeons, and whatever other human capital is needed.”

This quote suggests an increasingly sophisticated talent management infrastructure that is critical to the success of the business. When workforce management strategy begins to influence overall business strategy within an organization, the responsible human capital professionals have moved beyond the traditional transaction-oriented role toward a true partnership.

FIGURE 5.
Larger companies are more likely to have building blocks in place.



All results significant at the P<.05 level.
Source: IBM Institute for Business Value/Human Capital Institute.

Maturing organizations (those larger than Mid-size) are more likely to have effective talent management "building blocks" in place.

At the same time, Large organizations often are beginning to leverage technology to understand the workforce and where talent is needed. As the Director of Recruitment for a Professional Services firm told us, "We constantly look at better ways to engage and utilize our internal talent. . . . Technology's role is critical. As technology platforms become more and more robust, we will be able to electronically shift work to where the excess capacity is."

As the talent management personnel and their technological platforms emerge to meet the needs of the organization, continued growth in the workforce can be more effectively managed.

Enterprise companies need more structure to hold their own weight

Enterprise organizations that employ 50,000 or more people are significantly *more* likely to conduct virtually all of the human capital activities than other size cohorts. And through our interviews, we see not only this breadth of practice by Enterprise companies, but a depth of sophistication to their approaches.

For instance, an Enterprise electronics/technology interviewee stated, "We are able to keep track of an employee at his various levels in the organization. Right from the day he joined; types of training he has been through, kinds of assignments he has worked upon, client feedbacks, and so on. Everything is tracked and all the future trainings, as well as work allocations, are based on these parameters. This helps us improve [the] efficiency of employees."

Or consider the talent management approach of an Enterprise chemicals/petroleum company interviewee, "We have created a program to support success during the first five years of a career. It includes social events, training encompassing the company's core business and organization, lunches with guest speakers and key management, as well as specific competency development."

As with young, mature people, this finding does not imply that each Enterprise organization applies *all* of the human capital practices, or even that they necessarily apply them well. Again, as with the mature young person, what our data does suggest is that by the time an organization has grown to 50,000 employees, a fairly broad collection of mature human capital practices must be in place, not only for them to have achieved that scale, but to increase the likelihood of longer-term survival and functionality.

Interestingly enough, both Large and Enterprise organizations, having lost traditional economies of scale advantages over their smaller competitors in many areas, may today enjoy "economies of talent" among their most significant competitive advantages (see sidebar, "Economies of talent").

Economies of talent

Traditionally, bigger organizations have enjoyed economies of scale. Among the most potent benefits of scale, particularly in our post-industrial age, comes from the division of labor that is possible in organizations with large, specialized employee populations.

Yet some economies of scale seem to have diminished in recent years. Today, for example, small start-ups are often “global” right out of the gate. The Internet, worldwide economic integration and an accessible (and virtual) global talent pool, make possible in months or years what might have taken decades just twenty or thirty years ago. In other words, micro-enterprises can now appear and avoid the slow and expensive development of “scale,” instead behaving much like their mega-enterprise competitors in many aspects of their operations.

Beyond scale efficiencies, our research reveals a large-enterprise advantage as yet unexplored – we call it “the economies of talent.” Economist Adam Smith theorized that larger scale production might lead to more sophisticated processes and even better management. Our findings extend that principle to modern talent management, demonstrating a clear advantage among Large and Enterprise organizations in the sophistication of their talent management processes, infrastructure and use of technologies.

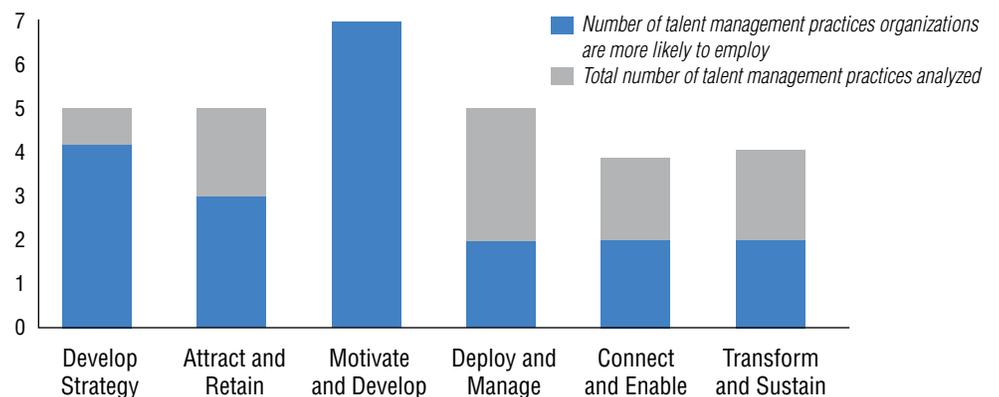
This advantage, which appears to be born of necessity, may allow Large and Enterprise companies to outperform Small and Mid-size organizations in identifying and recruiting top talent; deploying talent more effectively, and identifying and developing leaders more efficiently. Moreover, the natural advantages enjoyed by smaller firms in talent engagement and performance management are, in many cases, equaled in larger organizations through better use of technology and formal management processes.

This notion merits further exploration, and it is intriguing in its potential to at least partly explain the continued success of mega-enterprises, despite the erosion of many of their traditional advantages associated with size and scope.

Figure 6 presents a picture of the extensive human capital initiatives practiced by Enterprise organizations. Of note, where we saw that Mid-size organizations struggled

with practices related to motivating and developing the workforce, Enterprise organizations are more likely to employ them.

FIGURE 6.
Talent management practices in companies >50,000 employees.



Source: IBM Institute for Business Value/Human Capital Institute.

At every stage of growth, organizations can take steps to manage the predictable growing pains associated with talent management and ease the transition into the next stage.

Recommendations

That organizations undergo stages of development that require different human capital responses seems hardly earth-shattering. However, the idea of anticipating human capital needs and being ready for them upon reaching certain size thresholds would seem an intelligent way to smooth the growth process and make corporate growing pains that much more tolerable.

Highly aware parents might see certain signs of developmental concerns as a child grows and thus take action to avoid more serious problems in the future. Similarly, we believe that highly aware business leaders can anticipate certain human capital problems before they intensify by proactively designing solutions before the need is critical.

Organizations at each stage can take steps to address the unique aspects of both their current growth stage and the stages to follow:

- While Small – Formalize employee development planning processes
- Approaching Mid-size – Create scalable workforce analytics capabilities
- Growing Up – Leverage “economies of talent” through improved collaboration and the use of talent markets.

While Small – Formalize employee development planning processes

For organizations with fewer than 1,000 employees, effective talent management may entail a simple recognition of their upcoming needs. Acting upon that awareness with reasonably small undertakings may be enough to stave off problems at a later stage in the growth curve. For example, even

though Small companies can often manage their workforces in a more informal manner, they should begin to identify and prioritize the human capital infrastructure requirements they will need at the next level of growth, when a lack of talent management practices can become a significant challenge.

One area where Small organizations can focus their time and effort as they approach the 1,000 employee mark is the formalization of an employee development program. This can not only keep employee skills current, but enable the organization to better respond to rapidly changing business needs. As part of the process, the leadership of the organization should clearly define employee development roles for:

- The organization, which might be responsible for developing or obtaining relevant learning materials
- The employee, who might be required to take a certain number of courses each year, as well as utilize career management tools
- Managers, who must allocate time to provide regular feedback on employee job performance and identify employee skill development needs.

As a company approaches Mid-size, having a formalized employee development plan in place can certainly help to maintain momentum, even as the need for more tools and capabilities becomes apparent. At the same time, organizations will have to determine how they can build-out components of their human capital infrastructure quickly and cost-effectively (for example, information systems, analytics, collaborative capabilities, development opportunities).

Approaching Mid-size – Create scalable workforce analytics capabilities

Along with creating an employee development program while smaller, we recommend that Mid-size companies consider creating scalable workforce analytic capabilities that can enable better strategic decision making for the overall business. Our survey respondents point out the need for better analytic system integration, metric definition, and a general increase in the competencies of HR and others who use data and information to make strategic decisions.

The infrastructure must also include the capability to collect and analyze the right data, and, of course, the integrated systems that will enable human capital professionals to truly understand the workforce – its strengths and weaknesses and the talent gaps that must be filled.

To develop these workforce analytic capabilities, organizations beginning to scale should:

- Define the data needed to provide insight to the line organization
- Integrate disparate systems from different HR processes (for example, recruiting, learning, performance management) and connecting them with non-HR systems (for example, Finance, Sales)
- Develop a scorecard that focuses on each of the main areas of talent management
- Develop a centralized analytic capability within the HR organization that focuses limited resources for the benefit of the larger organization.

Growing Up – Leverage “economies of talent” through improved collaboration and the use of talent markets

As organizations grow beyond 10,000 employees, already having formalized employee development and workforce analytics programs, they should take advantage of the strength and size of their workforce as the next step in their evolution.

Leveraging the talent of Large and Enterprise organizations should address two important areas. One is the use of collaboration and expertise location capabilities in existing work practices so that individuals with particular knowledge around the world can team, share ideas and innovate in a virtual environment. To achieve this goal, organizations will need to incorporate collaborative applications into ongoing processes, as well as recognize and support those who truly collaborate at the global level to better meet the needs of the business.

As a consultant for a global chemicals and petroleum Enterprise told us, “Our primary workforce challenge relates to globalization – ensuring appropriate skills [are] developed in all geographies, [our] ability to recognize and share talent across geographic boundaries, [and] developing high-performance teams that span geography and cultures.”

As an organization continues to migrate toward the 50,000 employee mark (our Enterprise category), we suggest that leadership consider the use of “talent markets” to more effectively deploy resources. These markets provide a platform for those seeking specific

Considering their current number of employees and their own growth objectives, organizations should ask themselves some specific questions to identify talent management capabilities that may require attention sooner, rather than later.

skills and, at the same time, offer insight into the short-, medium-, and long-term talent supply, versus relying on a cursory comparison of existing and expected demands.

Developing a talent market requires a technology platform, a talent-classification system, a governance mechanism, and of course, managers to oversee the system, as well as to analyze the data. But in a world where speed is so critical to success, the ability to efficiently allocate talent to where it is most needed can not be overlooked. We believe that those organizations that can best utilize employees in the developmental and collaborative opportunities for which they're suited have a great advantage over those organizations that cannot.

Even as the various talent management programs and systems are put into place and become part of the organizational culture, they will evolve and become part of a broad approach to talent management. We find this echoed in the comments of a Vice President of HR for a Large insurance company that has a vision for succeeding in a highly competitive marketplace by creating a "holistic focus on maintaining and growing reputation as a Best Place to Work." She stated that the organization is "very active around the spectrum of best practices, and has a deep commitment to continuing and strengthening our approaches."

Where do you stand today?

To stay ahead of your own growth plans, it's important to take stock of your talent management capabilities. While considering both your organization's current size and its aspirations, the following questions may identify areas that require attention. Your answers can help you can stay a step ahead and lead to more integrated talent management practices.

While Small:

- How does your organization monitor employee development needs?
- What tools are necessary to measure, document and track employee performance, and assist managers in identifying skill needs – such as type of skill needed, skill gaps and location of existing resources, as well as where you need skills today and in the future?

Approaching Mid-size:

- How will you locate and access within your enterprise the valuable data (such as information about sales, learning, employee performance and recruiting) that is crucial to making talent management decisions?
- What metrics related to talent management practices are most important for your organization?
- How do you plan to develop a centralized analytics capability within your HR organization?

Growing Up:

- What are you doing to incorporate collaboration and expertise location capabilities into existing work practices to enable teaming and innovation in a virtual environment?
- How do you reward and support employees who collaborate at the global level?
- Are you taking advantage of your organization's strength and size by implementing talent markets that efficiently allocate resources when and where they are most needed?

Conclusion

Growing a business is full of challenges, some that can be anticipated and controlled, some that cannot. One thing is certain: as the number of employees grows, managing them becomes more challenging.

Awareness is the first step toward solving these and other challenges. HR leaders must first be aware themselves, but then be able to sell leadership on the needs for an overall talent management plan and infrastructure. Being able to diagnose issues and develop a longer-term perspective is critical to getting through the growing pains. Both the HR organization and corporate leadership need a vision for where they are going on the journey, and rather than just "fight fires," they must position their organization for future growth and success.

Sponsoring executives

Tim Ringo is a Partner and the Global Leader of the IBM Human Capital Management consulting practice. In his 17-year consulting career, Tim has helped clients across many industries on a variety of topics – including talent management, workforce transformation strategy and solutions, learning and development, and learning outsourcing – creating bottom-line results using innovation in human capital solutions. Tim is based in London and can be reached at tim.ringo@uk.ibm.com.

Allan Schweyer is the Executive Director and a co-Founder of the Human Capital Institute. He is an internationally recognized analyst, author and speaker on the topic of transformational human capital management for individuals, organizations, regions and nations. He is the author of *Talent Management Systems* (Wiley & Sons, 2004) and is working on a 2008/09 version. Allan's articles, book chapters and white papers appear in dozens of popular media and industry specific publications worldwide. He can be contacted at aschweyer@humancapitalinstitute.org.

Study team

Michael DeMarco is a Senior Consultant with the IBM Institute for Business Value and focuses his efforts on Human Capital Management. He has 12 years of consulting experience in a range of areas including human capital, financial management and performance measurement. He has authored two books. Michael is based in Lancaster, Pennsylvania and can be contacted at michael.l.demarco@us.ibm.com.

Ross Jones is a Senior Researcher/Analyst for the Human Capital Institute. He has more than 20 years of experience in research and analysis in scientific and social science fields, including almost two years focused on human capital and talent management with the Human Capital Institute. Dr. Jones is widely published in a variety of fields, including more than 25 white papers and articles on the subject of talent management. He can be contacted at rjones@humancapitalinstitute.org.

Eric Lesser is an Associate Partner with over 15 years of research and consulting experience in the area of human capital management. He is currently responsible for research and thought leadership on human capital issues at the IBM Institute for Business Value. He is the co-editor of several books and has published articles in a variety of publications including the *Sloan Management Review*, *Academy of Management Executive*, *Chief Learning Officer*, and the *International Human Resources Information Management Journal*. Eric is based in Cambridge, MA, and can be contacted at elesser@us.ibm.com.

Appendix

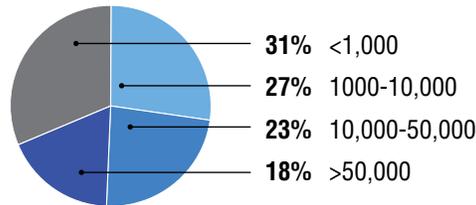
Methodology

Our research findings are based on the results of a Web-based survey conducted between February and April 2008. We e-mailed invitations to participate in the survey to the Human Capital Institute membership and received 1,900 completed responses. We also conducted in-depth follow-up interviews with 49 respondents, representing a cross-section of the complete sample, to explore specific topics in more depth.

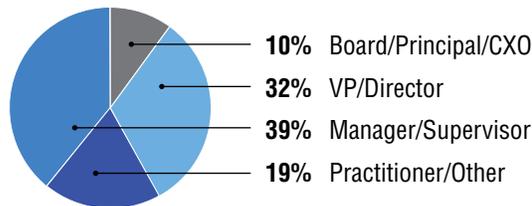
Figure A-1 highlights the important demographic features of our sample. While 67 percent were from the United States and Canada, approximately 30 percent were relatively evenly divided among Europe (primarily the United Kingdom), and Asia and the Pacific (predominately India and Australia). Although our sample included respondents from 56 different countries, 93 percent were from the United States, United Kingdom, Australia, India and Canada.

FIGURE A1.
Breakdown of study participants.

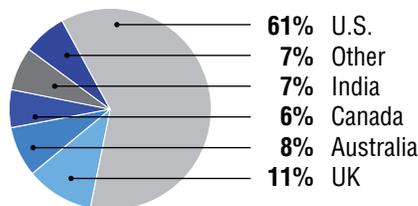
Company size



Respondent title



Geography



Industry

Banking	4%
Chemicals/Petroleum	2%
CPG	2%
Education	5%
Electronics/Technology	12%
Financial Markets	5%
Government	7%
Health Care	7%
Industrial Products	3%
Insurance	3%
Media/Entertainment	1%
Pharmaceuticals	2%
Professional Services	18%
Retail	5%
Telecommunications	4%
Transportation/Logistics	2%
Travel and Tourism	2%
Utilities	1%
Other	12%

Source: IBM Institute for Business Value/Human Capital Institute.

In addition to the regional variation, respondents represented a well-distributed range of organizational size – including Smaller (<1000 employees), Mid-size (1,000 to 10,000), Larger (10,000 to 50,000) and Enterprise (>50,000); as well as relative position in the organiza-

tional hierarchy, from Board/President level to Practitioner. Finally, our sample included a wide range of organizations from small and large business involved in many types of commercial activities, to public service organizations such as colleges, government agencies, and public health facilities.

Summary findings

FIGURE A2.

Develop Strategy dimension.

(Percent)

Senior management views workforce effectiveness issues as important in delivering business results



The organization knows what critical positions/roles help to differentiate itself in the marketplace



The organization has a workforce management strategy that is explicitly linked to the overall business strategy



Metrics are used to provide input into strategic workforce planning decisions



The organization accurately forecasts the demand for labor (size and skills) over various time horizons



■ Strongly agree/Agree ■ Neutral ■ Strongly disagree/Disagree

Source: IBM Institute for Business Value/Human Capital Institute.

FIGURE A3.

Attract and Retain dimension.

(Percent)

Organizations are able to bring new recruits on board effectively



The organization attracts, retains, values and fully utilizes a diverse workforce



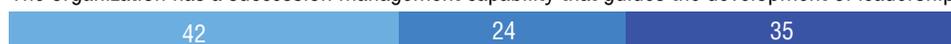
The organization is able to recruit desired employees in a timely and consistent manner



The organization identifies high potential and key employees and has programs to retain them



The organization has a succession management capability that guides the development of leadership talent



■ Strongly agree/Agree ■ Neutral ■ Strongly disagree/Disagree

Source: IBM Institute for Business Value/Human Capital Institute.

FIGURE A4.
Motivate and Develop dimension.

(Percent)

Employees understand their job responsibilities and how roles contribute to the goals of the larger organization



Organization identifies and uses competencies to develop the workforce



Employee and workgroup incentives are aligned with appropriate business goals



Employees have career options and pathways that encourage the development of relevant skills



Organizations understands and addresses workforce attitudes and engagement levels



Managers devote sufficient time/attention to people management activities



Employee development needs are identified and met in an effective and timely manner



■ Strongly agree/Agree ■ Neutral ■ Strongly disagree/Disagree

Source: IBM Institute for Business Value/Human Capital Institute.

FIGURE A5.
Deploy and Manage dimension.

(Percent)

Managers are able to assign employees to work schedules in a flexible and efficient manner



The organization is able to complement its workforce by using flexible sources of labor



Department leaders support the deployment and use of employees across departments



People and resources are available to address workforce management/deployment issues at an organizational level



Metrics exist to measure/model effective workforce management and deployment decisions



■ Strongly agree/Agree ■ Neutral ■ Strongly disagree/Disagree

Source: IBM Institute for Business Value/Human Capital Institute.

FIGURE A6.
Connect and Enable dimension.

(Percent)

Employees collaborate and share knowledge with others in a way that contributes to the organization's success



Employees are able to identify relevant skills in the organization in a timely manner



Tools, resources and metrics exist to foster collaboration and knowledge sharing across the organization



The organization promotes virtual/remote working to improve flexibility and/or reduce costs



■ Strongly agree/Agree ■ Neutral ■ Strongly disagree/Disagree

Source: IBM Institute for Business Value/Human Capital Institute.

FIGURE A7.
Transform and Sustain dimension.

(Percent)

The workforce is capable of adapting to changing business conditions



Organizational communications are aligned with leadership actions and behaviors



Recent major business changes have been driven by a relevant and understood vision of the future



Recent major business changes to the organization have been successfully sustained



■ Strongly agree/Agree ■ Neutral ■ Strongly disagree/Disagree

Source: IBM Institute for Business Value/Human Capital Institute.

About IBM Global Business Services

With business experts in more than 160 countries, IBM Global Business Services provides clients with deep business process and industry expertise across 17 industries, using innovation to identify, create and deliver value faster. We draw on the full breadth of IBM capabilities, standing behind our advice to help clients innovate and implement solutions designed to deliver business outcomes with far-reaching impact and sustainable results.

References

- ¹ Ringo, Tim, Allan Schweyer, Michael DeMarco, Ross Jones and Eric Lesser. "Integrated talent management: Part 1 – Understanding the opportunities for success." IBM Institute for Business Value in partnership with Human Capital Institute. July 2008. <http://www-935.ibm.com/services/us/index.wss/ibvstudy/gbs/a1029981?cntxt=a1005263>.
- ² See the Methodology section in the Appendix for more information about our study sample.



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Route 100
Somers, NY 10589
U.S.A.

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