GLOBAL TALENT MOBILITY: NEW MODELS FOR SUCCESS

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Today’s Speakers

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Senior Workforce Strategist  
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**QUESTIONS?**

Please type your questions in the Q&A section of the toolbar and we will do our best to answer it.

While in full-screen mode, simply use the Q&A button on the bottom right-hand side of your screen.

While in half-screen mode, use the Q&A panel on the bottom right-hand side of your screen.
# Objectives for Today’s Presentation

<table>
<thead>
<tr>
<th>Welcome and Introductions</th>
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<tbody>
<tr>
<td>Concept of Talent Mobility</td>
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<tr>
<td>Case Study: The Boeing Company</td>
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<tr>
<td>Q&amp;A</td>
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</table>
HR Is Asking New Questions

What is the role of workforce analytics and planning within our organization?

How do analytics and planning support our people and business strategy?
CONCEPT OF TALENT MOBILITY
Critical Issue

Human Capital Risk, Employability and Mobility Was the Number One Critical Issue at the WEF Annual Meeting in Davos

"The world is moving from capitalism to talentism"

Klaus Schwab
Founder & Executive Chairman of World Economic Forum
Unlocking “talentism” relies on solving two critical challenges:

- **Pools**
- **Pipelines**

Unlock
Two Critical Challenges

Unlocking “talentism” relies on solving two critical challenges; the first is pools…
Four Trends

Research identified four trends that suggest managing the pool will require new approaches:

- Widespread unemployability
- Critical skills gap
- Information gaps
- Public and private constraints
The Solution

Understand the talent pool

Traditional Labor Pools

- Is the pool sufficient?
- How can we increase the pool?
- How well are we positioned in the pool?
- How can we upgrade the pool?
- What are the alternatives?
Workforce Planning Quantifies the Risk

Future workforce needs based on multi-year strategic business scenarios

Expected number of critical roles based on pipeline yield, time to proficiency

Value risks cost timing
Unlocking “talentism” relies on solving two critical challenges; the second is pipelines…
Internal Pipelines

Globally, companies are struggling to manage internal pipelines

- Inadequate velocity
- Chokepoints and blockers
- Lack of focus
- Inefficient/lack of investment
Building Critical Roles

Create a planned mix of experiences and pathways to destination roles

General Manager

- Destination roles
- Pass-through roles
- Plateau roles

Management Experiences

- Managed to a Bottom Line
- Successfully Handled a Complex Assignment
- Innovated a New Approach
- Incorporated Customer Feedback to Improve Process
- Led a Function
- Sold XYZ Products and Services
- Used Technology Effectively to Address New Customer Need
- Significantly Improved a Business Process
- Analyzed Financials and Assessed Risk
- Mastered Certain Skills

Organizational Experiences

- Cross-LOB
- Cross-function
- Cross-geography
- Within Function
Forecasting the Pipeline

What is the Yield Rate on our Pipeline?
What is the target time to proficiency?

How many will we need to hire?

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How many will we need by year:
Redesigning the Pipeline

Change the Yield Rate

Change the pathway

Change number of inputs

Bring them in at a different level

Shorten the cycle time in roles
CASE STUDY: THE BOEING COMPANY
You Will Learn How Boeing…

Leads its workforce planning efforts
Analyzes data and trends to identify workforce risks and opportunities
Identifies critical skills
Models internal flow of talent to project future skill supply and demand
Influences external skill pipeline of the future
What Is Workforce Planning?

- Defined approach for targeted end users
- Link to business strategies and plans
- Diagnosing gaps and identifying solutions
- Analysis using sophisticated tools
- Recommending gap mitigation
- Defining long-range people plans
It’s All About…

The dialog and asking the right questions
Overlaying the workforce to the business
Analyzing useful data
Keeping it simple!
Our Approach

Critical Skills

Solution Channels

Global Perspective
Business Strategy
Talent Philosophy
Skill Supply (internal/external)
Skill Demand (internal/external)
Supporting Infrastructure
Execute Plan

Does Gap Exist?

Does Gap Exist?

Does Gap Exist?
Critical Skills Identification
Top Level Process

Strategic Workforce Planning
- Provide WFP approach and tools

Business Units/Functions
- Identify critical skills

Strategic Workforce Planning
- Integrate Enterprise critical skills list
- Provide visibility
- Develop top level pipeline/workforce insights

Outcome
- Identify skill gaps
- Recommend solutions to mitigate gaps
- Develop long range people plan

Strategic Workforce Planning drives Long Range People Plan
Integrated Skills Management

- Critical Skills
  - Gap resolution
  - Action plans and strategies

- Identify critical skill needs
- Provide critical skill visibility
- Strategic Workforce Planning
- Develop plans to support staffing needs
- Staffing, recruiting
- Address diversity, employee engagement, and organizational effectiveness
- HR, Diversity
- Ensure adequate, attractive compensation and benefits
- Compensation
- Design learning, training and development plans
- Staffing, recruiting
- Partnership with stakeholders
- Other HR dept
- Other HR
- Align to K-12 strategy
- Align to higher education strategy
- Training
- Partnership with stakeholders
- Critical Skills
  - Align to higher education strategy
  - Design learning, training and development plans
  - Ensure adequate, attractive compensation and benefits
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  - Partnership with stakeholders
Predictive Workforce Modeling at Boeing (1 of 2)

Start with Program and Functional Organization staffing profiles

**Factor in the effects of:**
- Predicted Boeing business trends and associated workforce skills/levels needs
- Workforce demographics (skill populations, job levels, age, retirement eligibility)
- Predicted changes in the national economy
- Workforce-related policies (staffing growth/reductions, promotions, retirement)
- Workforce trends/rates (retirements, voluntary terminations, internal transfers, promos)

**Produce year-by-year forecasts of:**
- Key Workforce demographics
- Personnel transactions required to achieve and maintain them
- Potential skill gaps and surpluses

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*not actual data*
Develop a holistic model of the population of interest and a go-forward action plan

Forecast potential skill gaps due to
- Resignations and retirements
- Other attrition such as layoffs
- Employees transferring to new jobs outside the population of interest

Forecast skills management actions needed to mitigate the forecasted skill gaps
- Promotions of employees already in the population of interest
- Transfers of existing employees into the population of interest
- External hires that will be needed to fill the remaining skill gaps
Predictive modeling can be effectively applied to population subsets to forecast differences from the total aggregate population, such as:

- Manufacturing may be on the rise but other skill groups may be flat
- Civil (commercial) business may be on the rise but Defense in decline

Boeing can also subset and forecast by major Business Unit and/or location(s), to better prepare action plans and align staffing resources.

Out-year forecasts are naturally less certain, but still help us identify trends, risks, and magnitudes of staffing demands.
Critical Skills Situational Awareness
Software Engineering Example

External Environment
- 30% occupation growth projected in U.S. by 2018 (per NDIA)
- Undergrad graduation rates dropped 36% in last 5 years
- Resource issues persist, in U.S. government and industry
- Need to improve workforce acquisition, STEM, cross-training; expect substantial OJT for new hires
- Need non-traditional engineering mindset coupled with non-aerospace talent sources such as the gaming industry

Internal Environment
- Limited opportunities for college hiring due to business constraints over last few years
- Limited opportunities for in-place promotions could impact employee satisfaction and career advancement
- Our Skills Planning and Future Workforce Forecast tools warn us to anticipate the following through 2015
  - Need to fill more than 1000 new positions
  - Need to replace about 900 resignations representing ~35% of current workforce
  - Need to replace about 700 retirements representing ~30% of current workforce
  - Dramatic shift in age and years of service profiles for software engineering by 2020

Potential Solutions
- Formalized knowledge transfer needed
- Continue enhanced skill development plan, including OJT, apprenticeships, teaching center
- Focused recruiting and retention strategies
Boeing’s Global Workforce Intelligence Suite (GWIS)

- Insights derived by viewing information from multiple perspectives
- Boeing headcounts, hiring activity, and related employee demographics
- Key Boeing workforce trends, attrition, retention, and external benchmarks
- Predictive analyses of potential workforce supply and demand
- Global workforce data
- Detailed predictive analyses
Workforce Pipeline and STEM System Supply Demand Cycle

4 Million Students start

Pre School or Nursery Education

-9 K 1 2 3 4 5 6 7 8

Primary Education

Primary Education

Post Secondary Education

Secondary Education

~340k declare STEM major

16 15 14 13 12

Retirement STEM Working Careers

168k STEM graduates 67k in Engineering

Our Strategic Education Relationships

- Strategic Workforce Planning (Higher Education)
- Higher Education Integration Board
- Recruiting
- Continuing Education
- Research
- Regional Coordinators and Country Focals
- Executive Focal
- Leveraged University Relationships
It’s All About...

- Providing a workforce planning approach and tools
- Identifying critical talent
- Providing data analysis for business decisions
- Influencing external talent pipeline
Q&A
Questions?

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- Register for an upcoming metrics and analytics webcast
- Listen to past webcast event recordings
- Subscribe to Be in the Know blog

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Please fill out the feedback form at the end of this webcast so we can continue to improve. The form will pop-up in a new window when the session ends.
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  - Mercer subject matter experts and guests will help you discover tips and trends, and will offer advice to questions you may have
  - [http://www.mercer.com/mercer-blog](http://www.mercer.com/mercer-blog)

- **Mercer Analytics website**
  - Next generation metrics and analytics solution that combines disparate data and Mercer’s intellectual capital, consulting services and technology
  - [http://www.mercer.com/merceranalytics](http://www.mercer.com/merceranalytics)

- **Mercer webcast series**
  - [http://www.mercer.com/webcastseries](http://www.mercer.com/webcastseries)
Upcoming Webinar: Starbucks Corporation Case Study
February 26 at 2:00 pm EST

Description:
- Participants will come to understand the keys to getting workforce planning right in today’s uncertain environment. They will also hear about what Starbucks is doing to make smart decisions, so that the actions they take today do not jeopardize their future viability. Participants will also gain insight into "what's next" in analytics and planning and how to prepare their own organization to evolve their analytics initiatives. Specific focus will be placed on the Starbucks case experiences and case studies.

Register here:  http://www.mercer.com/webcasts?siteLanguage=100

Speakers:

Brian J Kelly  
Partner  
Global Practice Leader, Workforce Analytics & Planning, Mercer

Lacey All  
Director  
Strategic Talent Initiatives, Starbucks Corporation
Speaker Biographies – Brian J Kelly

• Brian is a Partner at Mercer and is the global Commercial Leader for the human capital metrics & analytics solutions. Brian currently serves as the Co-Chair of the Institute of Human Resources Workforce Planning & Analytics Working Group and Vice Chair of the Society of Human Resource Professional's (SHRM) workforce metrics taskforce.

• Prior to Mercer, Brian was the President, North America of Infohrm, the recognized industry leader in workforce reporting, analytics and planning solutions across the globe. Brian led Infohrm's North American operations and was responsible for the firm's global sales, marketing and partner strategy leading to the firm's acquisition by SuccessFactors in July 2010. Prior to leading Infohrm, Brian served in a variety of management and leadership positions in the software, services and investment management industries with such firms as DoubleStar, Inc. and SEI Investments.

• Brian is a graduate of Boston College

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  brian.j.kelly@mercer.com
Speaker Biographies – Dianna L. Peterson

• Dianna L. Peterson is senior director of Strategic Workforce Planning for The Boeing Company. As strategy leader, Peterson is responsible for determining and understanding how near- and long-term workforce requirements, skills, and knowledge align with Boeing’s future business objectives. Boeing’s Strategic Workforce Planning professionals develop strategic and tactical workforce planning approaches for business units and functions that deliver a deeper understanding of critical skills that support innovation and growth.

• Dianna also provides leadership and operational focus for Boeing’s University Relations portfolio consisting of more than 150 U.S. and international institutions of higher learning. The University Relations program aims to ensure Boeing has the right relationships with the right schools for hiring, continuing education as well as research and development aligned to critical skills needs.

• Dianna, a 34-year Boeing Human Resources veteran, has served in a variety of leadership positions supporting many business units including Boeing Commercial Airplanes, Boeing Capital Corporation, Shared Services Group and Boeing’s Chicago Corporate Office. She also has supported key human resource functions including compensation, employee relations, organizational development and staffing.

• Dianna holds a bachelor’s degree in business administration with a concentration in Human Resource Management and has participated in the Leadership Program at Duke University’s Fuqua School of Business.

• Dianna is a member of The Attrition and Retention Consortium and serves on their executive committee. She currently is co-chair of The Conference Board’s Strategic Workforce Planning Council. In 2009 The American Productivity and Quality Center recognized Boeing’s workforce planning methodology as a best practice.