Today’s Speakers

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Strategic Talent Management
Most organisations are doing more

SPEND

GLOBAL

60%

INCREASE SPEND

HAVE A WORKFORCE PLAN

YES 77%

NO 23%

EFFECTIVENESS

High 62%

Somewhat 14%

Not at all 24%
Strategic Talent Management
Most organisations are experiencing challenges

Effectiveness

Time

Start-up characterised by little to show for hard work

Steep learning curve and learning payoffs

Improvements in performance start to flatten out

Frustration and decreasing return on investment

Asks “why can’t we…..”
Today’s Agenda:
*Four Shifts* to Jumpstart the S-Curve and *Two Core* Disciplines

1. Understand needs and dynamics of critical TALENT POOLS
2. Quantify what’s happening inside the TALENT PIPELINE
3. Shape PORTFOLIO OF EXPERIENCES for critical destination roles
4. Approach TALENT DECISIONS with a long-term mindset
SHIFT #1: UNDERSTAND NEEDS AND DYNAMICS OF CRITICAL TALENT POOLS
Shift #1: Understand Needs and Dynamics of Critical Talent Pools
The four pillars of the Human Capital Index

THE VALUE OF HUMAN CAPITAL
UNTIL NOW

World Economic Forum

92% of the World’s Population
96% of Global GDP
122 Countries

The Human Capital Report
Prepared in collaboration with Mercer
Shift #1: Understand Needs and Dynamics of Critical Talent Pools

The four pillars of the Human Capital Index

**EDUCATION**
- Access
- Quality
- Attainment

**HEALTH & WELLNESS**
- Survival
- Health
- Well-being
- Services

**WORKFORCE & EMPLOYMENT**
- Participation
- Talent
- Training

**ENABLING ENVIRONMENT**
- Infrastructure
- Collaboration
- Legal
- Framework
- Social Mobility
Shift #1: Understand Needs and Dynamics of Critical Talent Pools
Human Capital Index heat map
SHIFT #2: QUANTIFY WHAT’S HAPPENING INSIDE THE TALENT PIPELINE
Shift #2: Quantify What’s Happening Inside the Talent Pipeline
Internal Labour Market Analysis shows talent flows

<table>
<thead>
<tr>
<th>CAREER LEVEL</th>
<th>TOTAL HIRES</th>
<th>AVERAGE REPRESENTATION AND TOTAL PROMOTIONS</th>
<th>TOTAL EXITS</th>
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<tbody>
<tr>
<td>6</td>
<td>20 (10.2%)</td>
<td>195 26 (11.8%) 1</td>
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<td>273 78 (13.3%) 18</td>
<td>52 (19.0%)</td>
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<td>299 (29.9%)</td>
<td>1,001 39 (12.0%) 7</td>
<td>221 (23.9%)</td>
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<tr>
<td>1</td>
<td>65 (19.2%)</td>
<td>338 39 (12.0%) 39</td>
<td>39 (12.5%)</td>
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</table>
SHIFT #3: SHAPE PORTFOLIO OF EXPERIENCES FOR CRITICAL ROLES
Shift #3: Shape Portfolio of Experiences for Critical Roles

Identify critical roles based on the business strategy and focus

- **Criticality to the Business**
  - **CORE**
  - **NON-CORE/Flexible**
  - **Strategic**
  - **Specialist**

- **Scarcity of Skill Set**
  - Essential to the business; specialist knowledge and skills that can be “bought”
  - Roles affected by business strategy
  - General knowledge and skills, not focused on strategic direction
  - Important to delivery of products or services, more readily available skills or knowledge
  - Critical to long-term business success, specialised skills or knowledge that must be recruited and/or developed
  - Roles that affect business strategy

Identify critical roles based on the business strategy and focus.
Shift #3: Shape Portfolio of Experiences for Critical Roles
Identify the right skills needed in the future

GENERAL MANAGER ROLE

Head
- BUSINESS ACUMEN
- MARKET AWARENESS
- STRATEGIC MINDSET
- SYSTEMS THINKING

Heart
- BUILDING RELATIONSHIPS
- EXTERNAL PARTNERSHIPS
- GROWING & DEVELOPING TEAMS
- PERSONAL GROWTH FOCUS

Guts
- GLOBAL MINDSET
- CHANGE MANAGEMENT
- ABILITY TO ENERGISE
- OPPORTUNITY SENSING

NEW AGE TECHNICAL SKILLS

INNOVATIVE THINKING
- SOCIAL INTELLIGENCE
- EMERGING MEDIA LITERACY

DESIGN THINKING
- COGNITIVE LOAD MANAGEMENT
- VIRTUAL TEAM MANAGEMENT
Shift #3: Shape Portfolio of Experiences for Critical Roles
Create a planned mix of stretch rotations geared to the destination role

**GENERAL MANAGER ROLE**

**LEARNING & DEVELOPMENT**

- Destination roles
- Pass through roles
- Plateau roles

**ROLES**

- **HEAD**
  - Managed to a bottom line
  - Led a function
  - Significantly improved a business process

- **HEART**
  - Built a high-performing team
  - Managed a cross-geography team
  - Built relationships with external partners

- **GUTS**
  - Created a breakthrough idea
  - Managed a turbulent turnaround situation
  - Acquired cross-geography experience

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SHIFT #4: MAKING EFFECTIVE TALENT DECISIONS

APPROACH TALENT MANAGEMENT DECISIONS WITH A LONG-TERM, STRATEGIC LENS
Shift #4: Effective Talent Decisions: Long-Term, Strategic Lens
Examples of talent-related decisions

- Who gets promoted? When should they be promoted?
- When is the right time for a developmental assignment?
- Who should take on this mission-critical assignment? Do we take a risk on an up-and-comer or give it to the “usual suspects”?
- When do we stretch someone? When do we back off and let someone get their legs under them?
- Who should get rewarded? For what should we reward them?
- When do we stop investing in someone’s development and “start over” with someone else?
Shift #4: Effective Talent Decisions: Long-Term, Strategic Lens
How well and consistently do we manage talent?

- Top 300 leaders when driven by HR staff: ✓
- Rest of the organisation: ?
### Shift #4: Effective Talent Decisions: Long-Term, Strategic Lens

Typically it is not a rigorous asset management approach

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Typical Approach</th>
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<tr>
<td><strong>Criteria</strong></td>
<td>Clear criteria agreed upon in advance AssertionError</td>
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<tr>
<td></td>
<td>Developed in the moment; situational</td>
</tr>
<tr>
<td><strong>Basis</strong></td>
<td>Facts and logic Assert</td>
</tr>
<tr>
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<td>Intuitive judgments</td>
</tr>
<tr>
<td><strong>Scope</strong></td>
<td>Made from a full system perspective AssertionError</td>
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<tr>
<td></td>
<td>My unit</td>
</tr>
<tr>
<td><strong>Alternatives</strong></td>
<td>Exhaustive set of options developed AssertionError</td>
</tr>
<tr>
<td></td>
<td>Convenient options in the moment</td>
</tr>
<tr>
<td><strong>Closure</strong></td>
<td>All key stakeholders consulted and on board Assert</td>
</tr>
<tr>
<td></td>
<td>Tell them later</td>
</tr>
</tbody>
</table>
Shift #4: Effective Talent Decisions: Long-Term, Strategic Lens
Talent Management as Asset Management

How well does this asset perform right now?

Current Output

How can we add to its value over time?

Long term Potential

BUILDINGS PATENTS EQUIPMENT BRANDS

Current Output Long term Potential
Shift #4: Effective Talent Decisions: Long-Term, Strategic Lens
Mercer’s Talent Game
Shift #4: Effective Talent Decisions: Long-Term, Strategic Lens
Elevate your “Talent Game”
Shift #4: Effective Talent Decisions: Long-Term, Strategic Lens
Manage talent as any other asset

Part 1: Briefing
Gain an understanding of the potential consequences of talent decision making.

Part 2: Game Simulation
Make realistic choices relating to talent development looking at teams through an “asset lens” and consider strategic tradeoffs in the face of scarce resources.

Part 3: Application
Create a plan to enhance your real-life team’s value to the organisation and identify shifts in context to supports these new practices.
Shift #4: Effective Talent Decisions Through the Talent Game
A perfect fit for HR and People Manager programmes

- Talent Game Programme used with HR teams
- Increased **awareness of the options available** within strategic talent management

“The Talent Game is a very **innovative, stimulating and fun** way to teach people managers about being strategic talent leaders”

- Talent Game **incorporated into leadership and management development programmes** to make talent management training more fun!

“This session gave me a new tool set to review my organisation which I am currently in the process of doing. I intend to **use what I’ve learned to ensure my decisions are strategic and long-term.”

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DISCIPLINE A: ENSURING TALENT/EXECUTIVE ALIGNMENT IN ORGANISATION TRANSFORMATION
Discipline A: Ensuring Talent and Executive Alignment
Organisation Transformation

1. STRATEGY EXECUTION
   Helping to develop a shared understanding of its impact, and what is needed to align all aspects of the organisation for successful execution

2. ORGANISATION DESIGN
   Helping to design an organisational structure and governance approach aligned with the strategic, growth, and performance goals

3. ORGANISATIONAL EFFICIENCY
   Helping to improve the financial, operational, and human performance of the organisation

4. CULTURE CHANGE
   Helping to articulate a desired culture and implement activities that influence change

5. EMPLOYEE ENGAGEMENT
   Helping to win the hearts and minds of employees through high impact communication and alignment activities

6. TALENT AND LEADERSHIP
   Helping to identify and develop the right leaders and capabilities for organisational success and sustainability
Discipline A: Ensuring Talent and Executive Alignment

The Congruence Model

**INPUT**
- **External Environment**
  - Markets
  - Competitors
  - Regulation
- **Assets**
  - Brand
  - Human capital
  - Products and services
- **History**
  - Mission
  - Key Events

**BUSINESS MODEL**
- Value chain
- Core business processes and decisions
- Critical organisational capabilities

**CULTURE**
- Values
- Beliefs
- Behaviours
- Leadership behaviours
- Communications
- Engagement
- Informal networks

**PEOPLE**
- Skills and competencies
- Needs/Preferences
- Diversity
- Leadership capabilities
- Talent pipeline

**ORGANISATION MODEL**
- Organisation design
- Decision rights
- Operational and people processes
- Policies
- Roles
- Rewards
- Systems

**OUTPUT**
- Financial Outcomes
- Organisational Performance
- Social Impact
- Stakeholder Outcomes

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DISCIPLINE B: ASSESSING AND DEVELOPING LEADERS
Discipline B: Assessing and Developing Leaders
A proven methodology

ASSESSMENT AT THREE LEVELS OF LEADERS

| CEO and senior team | Team leaders, supervisors, managers | High potentials & emerging leaders |

WHAT WE CAN EVALUATE

| Performance | Potential |
| Readiness | Fit |

STREAMLINED METHODOLOGY, YIELDING DEEP AND ROBUST INSIGHTS

DEFINE

- Success Profiling Assessment tools and process design

DESIGN

- Objective assessment of an individual
- Internal data collection on the pipeline

DEPLOY

- Data consolidation and talent review
- Individual feedback

DEVELOP

- Development action planning
- Development actions
- Measure development

KEY QUESTIONS

- What will we use our assessment results for?
- What are the gaps in our leadership bench?
- Where, and in what, should we invest?
Discipline B: Assessing and Developing Leaders
An array of solutions

- Scenario Based Assessment Centre
- Virtual Assessment Centre
- Role Fit Assessment
- Behavioural Event Interview
- Career Achievement Record

- TalentSIM® Leadership Assessment
- Hogan Suite of Leadership Assessment
- Global Leadership Profile
- Mercer 360™ Leadership Survey
- Intercultural Development Inventory®
CONCLUSION AND Q&A
Q&A

QUESTIONS
Please type your questions in the Q&A section of the toolbar and we will do our best to answer as many questions as we have time for.

To submit a question while in full screen mode, use the Q&A button, on the floating panel, on the top of your screen.

CLICK HERE TO ASK A QUESTION TO “ALL PANELISTS”

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