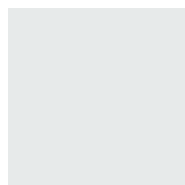


TALENT INSTITUTE



DESIGNING AND IMPLEMENTING A TALENT STRATEGY

Mitigate Risk and Target Investments Wisely



THE CORPORATE CHALLENGE

CEOs around the world are striving for top-line growth and there is no lack of opportunity.

Limitations are not coming from tight capital or technology, but from the inability to attract, engage and retain enough top talent to execute against their growth strategies. This dilemma puts strategic talent management front and centre stage.

This growing focus on talent management is underpinned by a fundamental revisit of the people agenda. This is happening against a backdrop of an external business environment which is becoming increasingly competitive, requiring shifts in strategy and business models, and new approaches to human capital management.

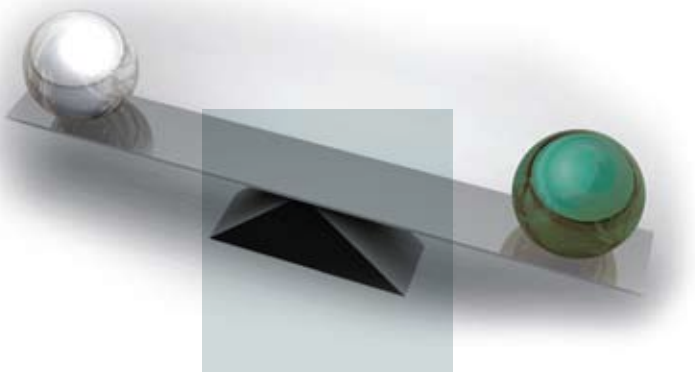
The real conundrum that organisations face is not how to put together a strong and effective strategic plan, but how to place the right people against the plan to ensure full impact on execution.



THE BUSINESS CASE FOR A TALENT STRATEGY

In addition to research findings that support the need for a talent strategy, it is now widely recognised that:

- There is a demonstrated relationship between better talent and better business performance
- Talent is a rapidly increasing source of value creation
- The context in which we do business is increasingly complex and dynamic
- Boards and financial markets are expecting more
- Employee expectations are changing
- Workforce demographics are evolving
- A War for Talent is playing off in real time
- Business models have to change to meet the challenges of globalisation and competition.



What Does It All Mean?

TALENT MANAGEMENT

A set of inter-related workforce management activities concerned with identifying, attracting, integrating, developing, motivating and retaining key people.

Talent management processes include:

- Workforce planning
- Recruitment and selection
- Development planning and support
- Performance management
- Succession management
- Talent reviews
- Career development
- Compensation, and
- Brand management.



TALENT

Depending on the focus, talent as a concept refers to groups or individuals that drive a disproportionate share of business performance and generate greater-than-average value for customers and shareholders.

These people have special attributes, abilities and aspirations.

TALENT STRATEGY

Refers to a business process that systematically closes the gap between the talent an organisation has and the talent it needs to successfully respond to current and emerging business challenges.

A talent strategy needs to ensure that 'the right people with the right skills, experiences and competencies are in the right roles (or ready to transition into same) at the right time'. **It drives business performance.**



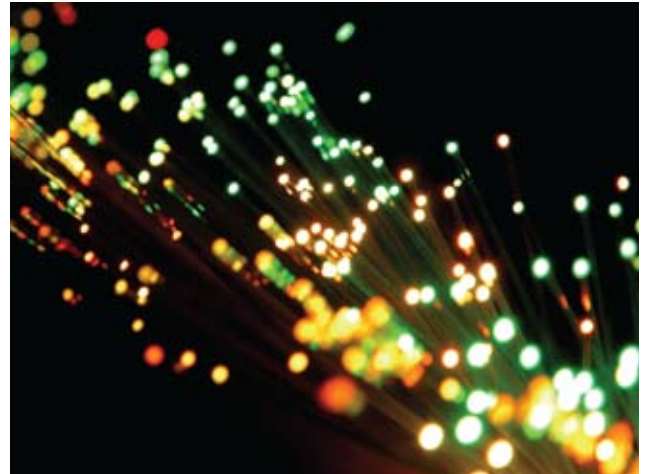
THE UNDERLYING PHILOSOPHY

The driving philosophy behind a talent strategy is simple: **It must begin with the end in mind.**

Specifically the strategy must relentlessly focus on desired business outcomes that 'talk' to strategic priorities such as:

- Driving revenue growth
- Penetrating new markets
- Growing market share
- Effecting horizontal integration
- Driving cost efficiencies
- Achieving business turnaround
- Increasing shareholder returns.

The talent strategy should articulate the capabilities that are needed to deliver on the business strategy.



FOCUS OF THE TALENT STRATEGY

There are choices around the particular focus of a talent strategy.

While the primary focus is invariably on the identification, development, deployment and retention of high-potential individuals, there might be a secondary focus on developing organisational and functional (or technical) capability.

Developing organisational capability focuses on the creation of talent pools at every layer of the organisation and forms part of a grow-your-own strategy. Developing functional capability focuses on the development and retention of scarce and core skills that are critical to business performance and success.



DESIGNING A TALENT STRATEGY - THE PROCESS

The talent strategy is crafted during a strategy workshop, which is usually held offsite. There are at least five steps to the design and implementation of a talent strategy.



The process starts by focusing on the business strategy and the talent implications of the chosen strategy. With this foundational understanding, it is necessary to interrogate the status quo from a business risk perspective.

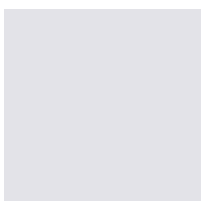
The primary aim is to pinpoint and address the talent issues that directly affect business success by focusing on the needs that matter, employing proven tactics and measuring real business impact.

It involves creating a detailed and actionable vision that identifies gaps, determines the criticality of those gaps and directly aligns talent investment with critical objectives.

Simply put, the process:

- Determines future talent needs based on the business strategy (What do we need?)
- Evaluates the current talent base (What do we have?)
- Identifies talent gaps (Where are we vulnerable or at risk?)
- Results in the design and implementation of solutions to address the gaps (What must we do to close the gaps?).

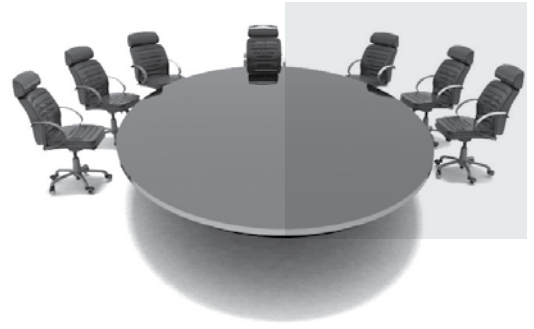
A senior psychologist facilitates the process.



TALENT RISK ASSESSMENT

A rigorous talent risk assessment is an essential component of the design-process. This structured analysis typically focuses on questions such as:

- What are the most significant market place challenges facing the business and what are the consequent talent implications?
- From where will our revenue growth come? Which aspects of our business are most likely to significantly grow, diminish, or evolve?
- Do we have in place now the people we need to do business tomorrow?
- Where are our greatest talent gaps? Where are we at risk?
- What are we doing (or should we be doing) to increase our overall corporate capabilities, competencies and capacity to beat our competitors?
- What sort of talent are we going to need to shake up the status quo, rejuvenate our brand, and give us the action-orientation required to turn things around?



DELIVERABLES

The strategy workshop results in the following outcomes:

- A talent strategy model
- Identification of strategic priorities
- Specific actions (linked to each priority)
- Performance metrics
- A policy framework (that also specifies the required talent strategy architecture)
- An implementation roadmap.

WHO ARE INVOLVED?

No strategy can be effective without the support of senior leadership – and talent management is certainly no exception. Talent management and leadership development are now CEO-priorities. As such, the CEO is also the chief talent officer.

In addition to the CEO, the following people should be involved in the design and implementation of the talent strategy:

- Leaders of business units
- Heads of Department (both line and support)
- The HR-executive
- Talent Manager
- Opinion leaders
- Select individuals who can think strategically.

ROBUST IMPLEMENTATION

The success of any strategy lies in its execution.

Under the sponsorship of the CEO, carefully selected cross-functional work teams are responsible for post-workshop strategy implementation.

This is combined with a focused action plan to embed a talent mindset as part of the culture of the business, a process that needs to be carefully managed, tracked and measured.



ABOUT THE TALENT INSTITUTE

The **Talent Institute** is a professional services firm that specialises in helping clients develop and implement talent strategies to more effectively manage the acquisition, deployment, development and retention of talent to support current business strategies and to prepare for future challenges.

Our focus is on *reducing people risk* in organisations - which ones to hire or promote and when - how to train and develop them to their fullest potential - and how to organise them and systems around them to maximise their collective potential. Our combination of psychological insights and real-world business experience removes the guesswork from making decisions about people.

Our team of psychologists and experienced management consultants offer proven solutions for hiring and promoting the best, identifying and developing extraordinary leaders, enhancing organisational capability and unleashing talent.

Our work is grounded in organisational psychology and the science of measuring and developing people and organisations.

A virtual management consultancy, we deliver services at any location preferred by the client.



■ SOUTH AFRICA

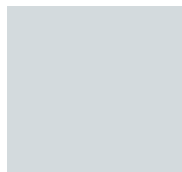
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