

Talent Acquisition and Management
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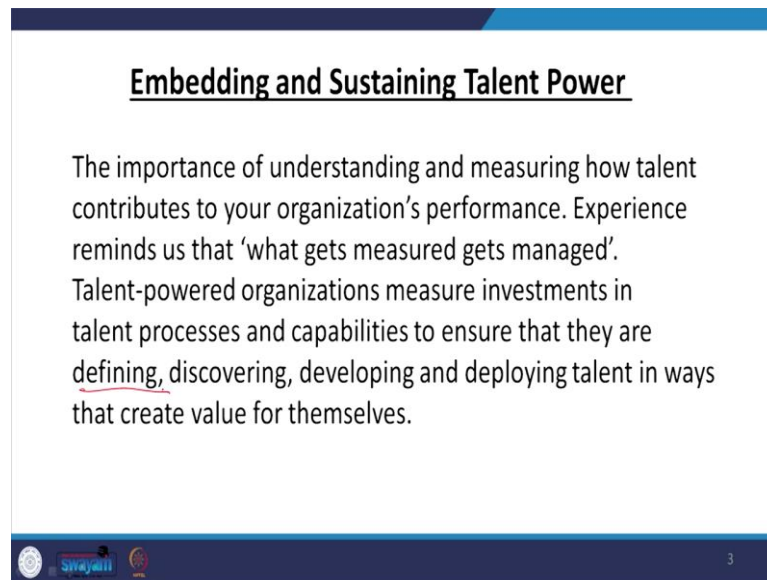
Lecture - 55
Embedding and Sustaining Talent Power

So, we have seen in the previous session that how the talent is moving from employment to the associate consultant. So, for the employer, one side of the debt time, the percentage I have discussed is 27 per cent, and the rest is the force, that is, a push and pull force. So, we have to see that how we can Embedding and Sustaining the Talent Power.

So, here it is an introduction, measuring the talents that contribute to the business performance and top-level performance measures that we will see, embedding and sustaining the talent power. So, the importance of understanding and measuring how talent contributes to your organization's performance is very important; because many organizations do not take care of their employees. And they feel that it is organization; if we replace a with b and c and d, it will hardly matter.

So, therefore, they intentionally ignore the talent. So, therefore, in that case, it is becoming very important for organizations performance. The experience reminds us that what gets measured gets managed. So, here always, we have to see that the measurement of performance is there. If higher is the performance measurement, higher will be the management.

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Embedding and Sustaining Talent Power

The importance of understanding and measuring how talent contributes to your organization's performance. Experience reminds us that 'what gets measured gets managed'. Talent-powered organizations measure investments in talent processes and capabilities to ensure that they are defining, discovering, developing and deploying talent in ways that create value for themselves.

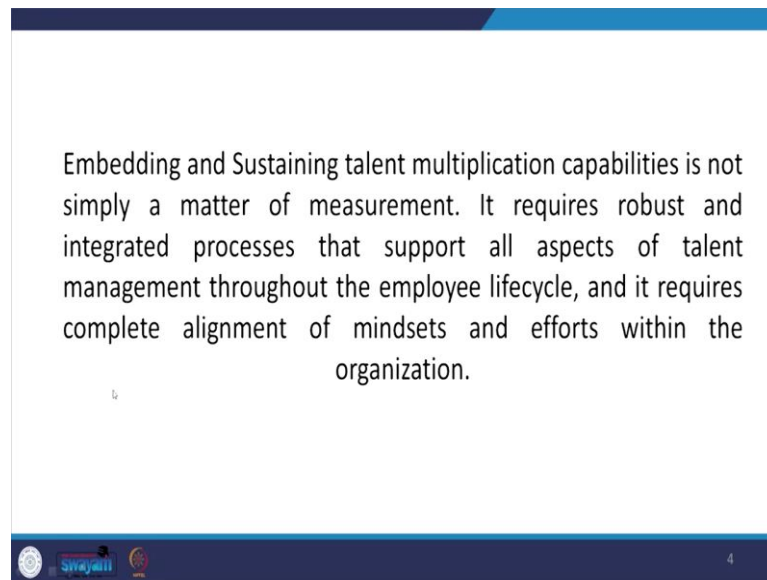
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So, therefore, whatever way it gets measured, that will get managed also. Talent powered organizations measure investment in talent processes. So, these are their investments and, therefore, they are the talent power organizations. And so, they were making the measurements in the investments. How to make those major investments is thereby keeping in mind that how these functions will be working.

So, here if you measure quantitatively, for example, certain jobs are there, which are quantitative. And if the quantitative jobs are there, then you measure in terms of target, achievement, maybe the ROI may be the sales right or maybe even for the HRM, you will find the number of persons recruited to the number of persons left.

So, you measure that the turnover ratio and on the basis of the turnover ratios, you decide HR's performance. So, that way a talent power organizations measure the investments in their talent processes and capabilities to ensure that they are defining, discovering, developing, and deploying; now, we will take them one by one.

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So, therefore, now in this talent process, what is important first is the defining. So, if we are talking about how we are going for this defining, so, here we will find that is, what talent process you define? So, the talent process which you defined are becoming more and more transparent and clear; that is how you are defining the talent.

And how they are defined? As we have talked about in the first session itself, that is creativity, innovativeness, creation, innovativeness, right. So, there is that intellectual capital that has been defined. Now, certain organizations are called the KBOs, Knowledge-Based Organizations.

And when these knowledge-based organizations are there, so their roles, responsibilities, duties, performance, everything has been defined. So, that will be their definition. The second one is discovering; discovering is that is how you are going to discover that particular aspect.

So, in discovering, you are doing a particular job, and in doing that particular job, certain jobs are known; operations in that jobs are known. But when you are doing the brainstorming, when you are having the group discussion on that, so naturally you are discovering, you are discovering many things which have not been done earlier.

So, analytics is there. So, if you go for the analytics and then you are designing your own system, it is a discovery. So, this defining and discovering that is becoming very important whenever we are talking about how the talent is discovered.

So, what a talented person will do? Whatever the job you give like a Birbal; whatever job he will do, he will discover something new, that is, this job can be done in this way also. And everybody knows and appreciates that is oh, this is the way and very simple things, right.

But just the mode of the operations have been changed, and then you find that something has been discovered. So, the talent is developed. So, during the talent process the capabilities, have been developed by the practising, training and development; there is a method which everybody knows, but there can be the experiences, there can be experimentation.

So, training and development, and experimentation and experiences, so that you nurture that particular talent and develop that talent and then put them on the jobs, there is a deploying talent; anyways that create the value for the organization also and for the talent also. It is not only for themselves; it is for the organization and for themselves; because they have been nurtured, they have been structured.

So, whenever they have been nurtured and structures, they are creating values for themselves. Embedding and sustaining talent multiplication capabilities is not simply a matter of measurement. So, therefore, it is just not the question of how much; it requires robust and integrated processes. So, therefore, that strong and integrated processes are required and that support all aspects of talent management.

So, here it will become very important that is that integrated process right supports in case of the acquisition, talent management means acquisition, deployment, development, rewards and compensation, and then assessment, or appraisal of talent appraisal, potential appraisal and finally, that is a talent separation. So, that throughout the employee's life cycle, right from the birth to the separation, so right from the acquisition to the termination.

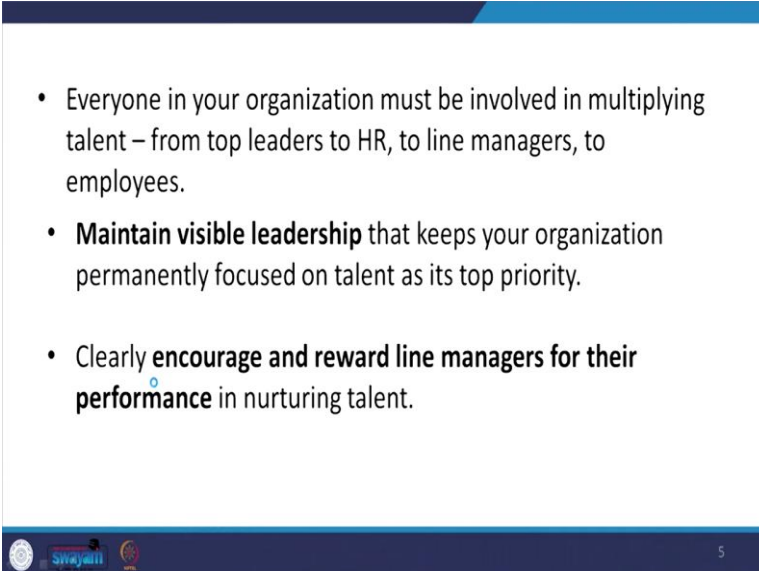
So, therefore, throughout the employee's life cycle, there will be an integrated process, and it requires the complete alignment of mindsets and efforts. What is most important is

the mindset of the employees; if the mindsets of the employees are trained, they will do miracles. So, many times we see that if there are certain employees, and they may not be physically strong, but their output is much stronger than those who are physically much fit.

So, there is no relationship. So, then what is why even the weaker talented employee is producing more or giving output more as compared to the fitter and the stronger employee? And the reason is the mindset. How do you trend your mind, that is becoming very important, and efforts within the organization. So, whatever the efforts are there, those efforts will be seen within the organization. If we see that, yes, within the organization, the efforts are there; then they will do their best.

So, here that embedding and sustaining the talent is the core; that is deploying and development, and changing their mindset from where; just to do to I can do, just in level to the next level, just the performance to the excellent performance. And therefore, that mindsets will be there within the organizations.

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- Everyone in your organization must be involved in multiplying talent – from top leaders to HR, to line managers, to employees.
- **Maintain visible leadership** that keeps your organization permanently focused on talent as its top priority.
- Clearly **encourage and reward line managers for their performance** in nurturing talent.

Everyone in your organization must be involved in multiplying talent, from top leaders to HR. So, therefore, the focus is on these employees and therefore, they have been noticed; they have been seen that what they are doing. And accordingly, you will find that they are performing their best. So, what is required is multiplying the talent. This is a

wonderful concept and the process and the culture and practices; that is how you multiply the talent.

So, you train the one person and that one person trains to others right; that flow of culture in the organization will create the talent pool. When it does not come by one by one, one by one, one by one and focusing on all; it is anybody comes, anybody comes in contact with one talented employee, he himself also becomes the new especially new employees, the young employees.

When they join the organization when they are a mentee, they work with the mentor; the mentor is so talented that the mentee is developed as a talent asset. So, therefore, you have involved in multiplying the talent from top leaders to HR, up to the HR. To line managers, whoever is into the production manager right, so that they are called the line managers to employees.

So, it is not restricted only up to a certain level, but it is to the last level. So, maintain visible leadership that keeps your organization permanently focused on talent as its top priority. So, as I mentioned, it is the culture, and in the culture, you see the leadership is visible, vibrancy is there, encouragement is there.

And therefore, when the person talks about this particular aspect of the talent development and creation of talent pool, then, in that case, they will be focused on top priority. And if there is a top priority, then definitely there you will find that in a whole organization, the percentage basically increases.

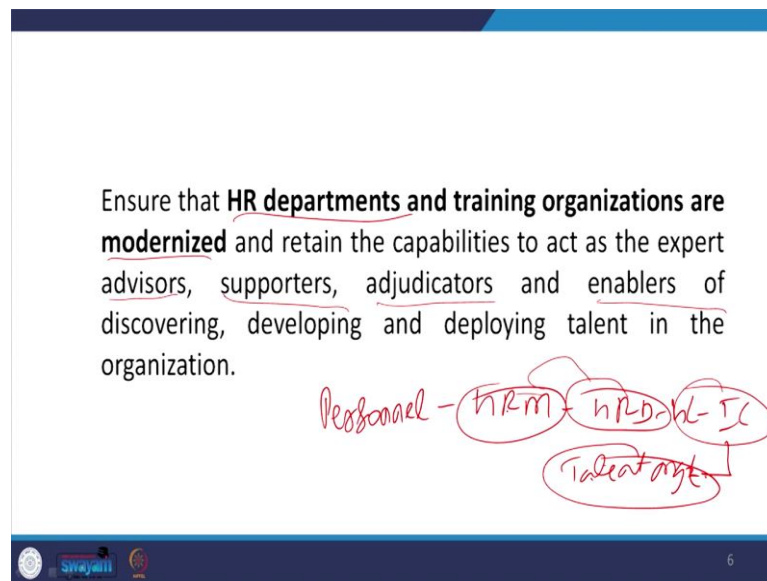
Clearly encourage and reward line managers for their performance in nurturing talent. Here I would also like to mention the mentoring program. So, you will find there are certain managers, they are well-known mentors, and people recognize them. If he has been trained under that mentor, perfectly fine, you can try him; but if the mentors are not that efficient and effective, that is only ornamental, or you keep the top executive as a mentor.

And the employee feels very motivated in the beginning; that I am working under him, but he does not have time. So, for the two months, three months, six months, there is not a single meeting; then HR is after the top management executive. So, what is required?

Here that if you want to encourage and reward the line managers, please make mentors to the line managers, immediate bosses, front line managers.

So, that the talent can interact, talent can learn, talent can be awarded; but in case you are keeping the power distance, then there will not be successful talent development practices. So, here they encourage and reward line managers for their performance.

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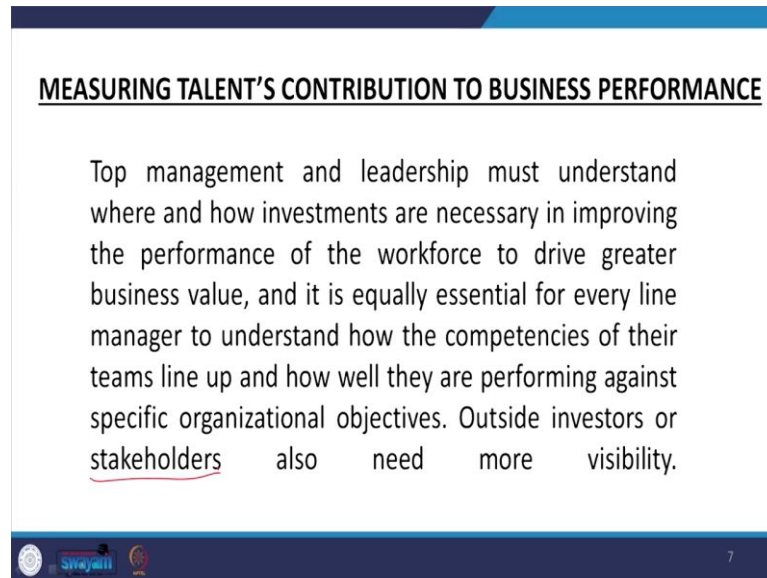
Ensure that HR departments and the training organizations are modernized and retain the capabilities to act as the expert advisors, supporters, adjudicators, and enablers of discovering, developing, and deploying talent in the organization; I will explain one by one. So, HR departments earlier was a personal department.

So, it has gone from personal management. So, human resource management to the HRD, to the human capital, the intellectual capital right and then talent management. So, these HR departments and training organizations are modernized; how? To retain the capabilities to act as the expert advisors; experts as I just mentioned in the previous session about the consulting, associate consulting.

So, they are the advisors, and these departments are supporters, and there are adjudicators giving the justice, and enablers, human capital intellectual capital creation. They are enabling conditions of the human capital and intellectual capital that is a discovering for what, for developing and deploying talent in the organization.

So, when you are modernizing these practices, and therefore, you are creating them as experts and consultants, so that makes the enablers for discovering the talent, putting the right talent and developing them so that they can perform in the best way. Now, in the beginning, I talked about that is the measurement. If the measurement is there, then definitely there is the performance recognition.

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MEASURING TALENT'S CONTRIBUTION TO BUSINESS PERFORMANCE

Top management and leadership must understand where and how investments are necessary in improving the performance of the workforce to drive greater business value, and it is equally essential for every line manager to understand how the competencies of their teams line up and how well they are performing against specific organizational objectives. Outside investors or stakeholders also need more visibility.

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Top management and leadership must understand where and how investments are necessary. So, it is a question of ROI, where the investments are necessary to in improving the performance of the workforce right to drive the greater business value. Ultimately why we are doing all these practices, the talent management practices; it is not charity, it is not any servant leadership, rather than it is the creating the business value.

The objective and focus are very clear; that is, organizations want to do these particular term type of things right, that is for the driving the greater business values. So, if you are able to develop those business values, then definitely you will be more successful.

And it is equally essential for every line manager to understand how the competencies of their teams line up and how well they are performing against the specific organizational objectives. Everything is very focused, and the direction is given; because it is very clear that every line manager has to understand, that is what are his competencies, knowledge,

skills, and attitude and habits of their teams line up. The knowledge of the one person in the team member is cooperating with the other team members.

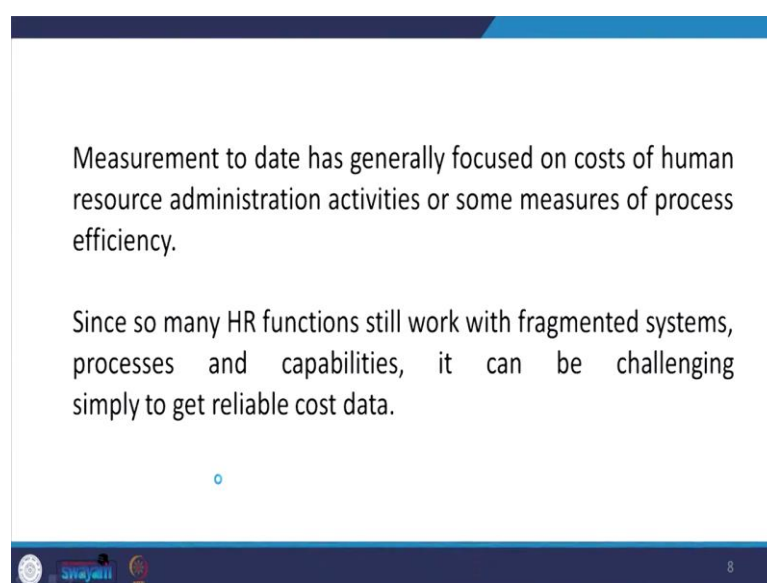
So, they are lineup. And how well they are performing? So, naturally, they are performing very well against these specific organizational objectives. So, whatever the specific organizational objectives are there, they are performing in that particular lineup. So, outside the investors or the stakeholders also need more visibility.

So, here it is becoming very, very important; that is how these investors are the stakeholders, the outreach. As I mentioned, in the percentage, you have seen that there was an outreach, that is, the business process, in the business environment, that is far-reaching. That far-reaching was not achieved, and therefore, in that case, this is the outreach which I was talking about that is outside investors as stakeholders.

So, that should be the outreach; if you are developing the talent, your employees are talented, you are performing well, and then they are contributing to business performance. So, who should get the confidence?

Confidence is for the stakeholders; stakeholders should have confidence. And therefore, in that case, all this process and performance and measurement results should be communicated to investors or the stakeholders so that more visibility will be there.

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Measurement to date has generally focused on costs of human resource administration activities or some measures of process efficiency.

Since so many HR functions still work with fragmented systems, processes and capabilities, it can be challenging simply to get reliable cost data.

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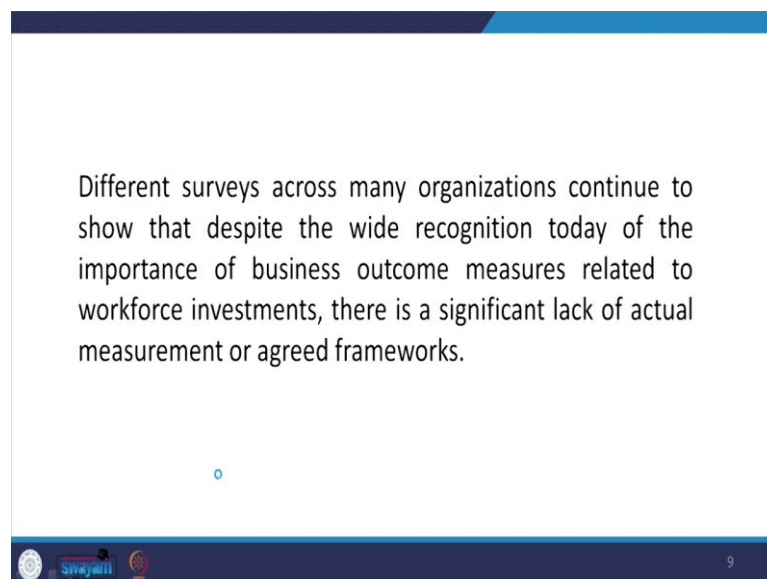
Measurement to date has generally focused on the cost of human resource administration activities HRA or some measures of the process efficiency are there. Since so many HR functions still work with fragmented systems, they are the difference. Processes and capabilities, it can be challenging simply to get reliable cost data. That is always a challenge for HR, the cost and benefit analysis.

So, if you want to go for the cost and benefit analysis, it is very important that is we are able to measure; measurement is important. So, measurement generally focuses on the cost of human resource administration activities, so that is becoming very difficult.

But this is the talent management activity, where you can measure the cost; because there is a performance, and performance with the output and output can be measured. So, since so many HR functions still work with the fragmented systems right, it can be challenging simply to get reliable cost data.

Different surveys across many organizations continue to show that despite the wide recognition today of the importance of business outcome measures related to the workforce, investments very, very important. Now nowadays, where is the investment; investment is in technology, that is true, but for what, for the development of the workforce activities.

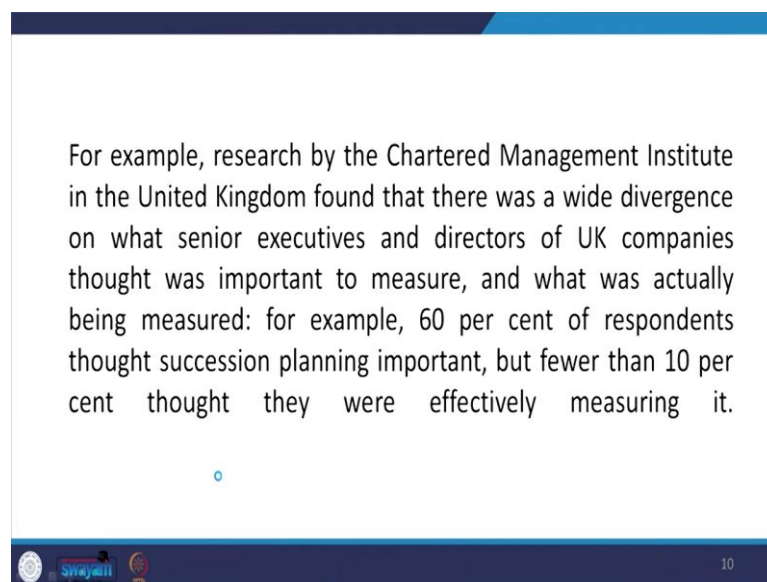
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So, in the workforce, activities are increased with the help of technology, the output is automatically increased—the business outcome measures related to the workforce investment. There is a significant lack of the actual measurement or agreed framework. So, in HR, definitely in like you talk about the main hours.

So, many man-hours have been spent on this particular output. Now, their intellectual input, the capability which is to be reflected, is becoming very different and challenging. So, therefore, there is a significant lack of actual measurement or agreed frameworks in HR is there.

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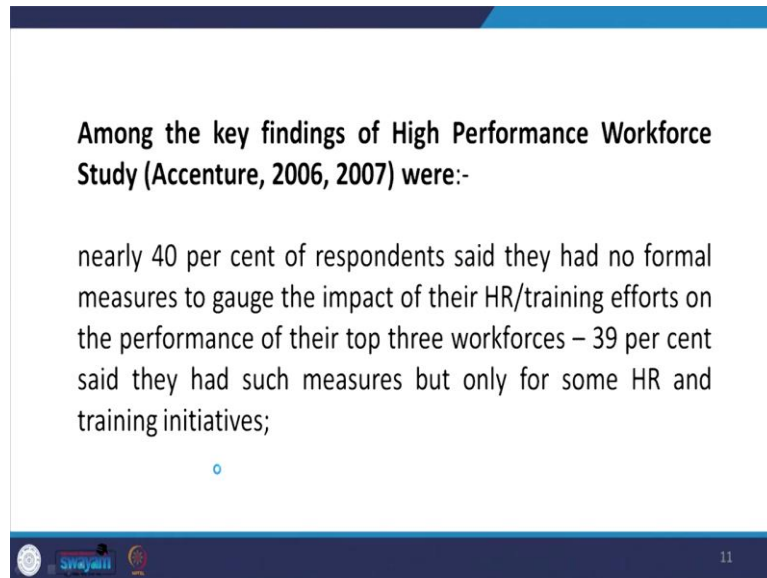


For example, research by the Chartered Management Institute in the United Kingdom found that there was a wide divergence on what senior executives and directors of the UK companies thought was important to measure and what was actually being measured, a lot of deviation was there.

For example, 60 per cent of the respondents thought succession planning important; but fewer than 10 per cent can think they effectively measured it. And it is really very difficult to measure succession planning, whether it is done properly or not done properly. So, this is the real example; that yes, they thought succession planning is important.

Everybody knows that succession planning is important; because one will go, the other will come. And therefore, in that case, it becomes very important that how you are doing the succession planning. And if the successor is properly selected, then your organization is stable; but 10 per cent thought they effectively measured it. So, they were not confident about it.

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Among the key findings of High Performance Workforce Study (Accenture, 2006, 2007) were:-

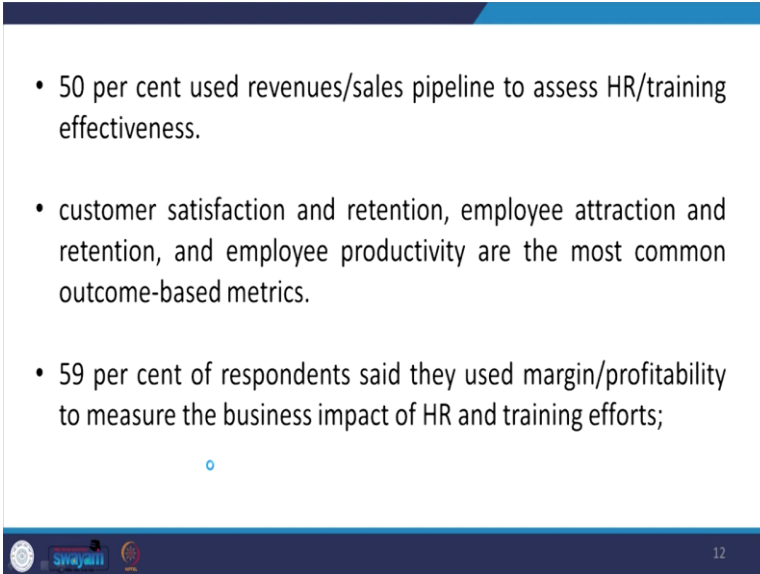
nearly 40 per cent of respondents said they had no formal measures to gauge the impact of their HR/training efforts on the performance of their top three workforces – 39 per cent said they had such measures but only for some HR and training initiatives;

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Among the key findings of the high-performance workforce study Accenture 2006, 2007 were; nearly 40 per cent of respondents said that they had no formal measures to gauge the impact of their HR training efforts, the output of the training. For so many years, we are talking about the measurement of the cost and benefit analysis of the training; but practically, it is becoming very difficult to cause the impact of the HR training efforts on the performance of the top three workforces.

So, therefore, on their top three workforces, it is very difficult to identify that where they are working; 39 per cent said that they had such measures, but only for some HR and training initiatives. So, there are certain organizations that have adopted the measurement techniques, but they are for the HR and training initiatives.

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- 50 per cent used revenues/sales pipeline to assess HR/training effectiveness.
- customer satisfaction and retention, employee attraction and retention, and employee productivity are the most common outcome-based metrics.
- 59 per cent of respondents said they used margin/profitability to measure the business impact of HR and training efforts;

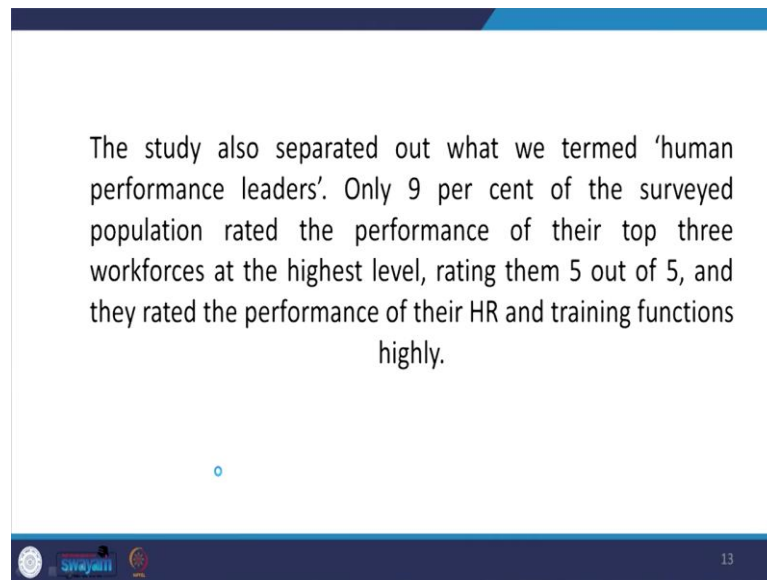
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Fifty per cent used revenues, sales pipeline to assess HR, training effectiveness. So, therefore, as I mentioned, that is what will be there, the revenue generated by this particular department section; sales pipeline is there, that is how they are performing in the sales, that will assess the HR training effectiveness. And if the sales are increasing, that yes, the training which was given to increase the sales that have been become successful, but that is measurable, but not others.

Customer satisfaction and retention employ attraction and retention. So, therefore, customer satisfaction and retention; attaining the customer and making the repetitive customer, is a tough task. Employee attraction and retention; again, to retain the employees because they see the sky is the limit for their growth. So, retaining the employee is a challenge. And employee productivity is the most common outcome-based metrics are there.

Fifty-nine per cent of the respondents said that they used margin of profitability to measure the business impact of HR and training efforts. So, that is the overall performance basically, that is the organization is performing better, and profitability is there, so HR is also doing better.

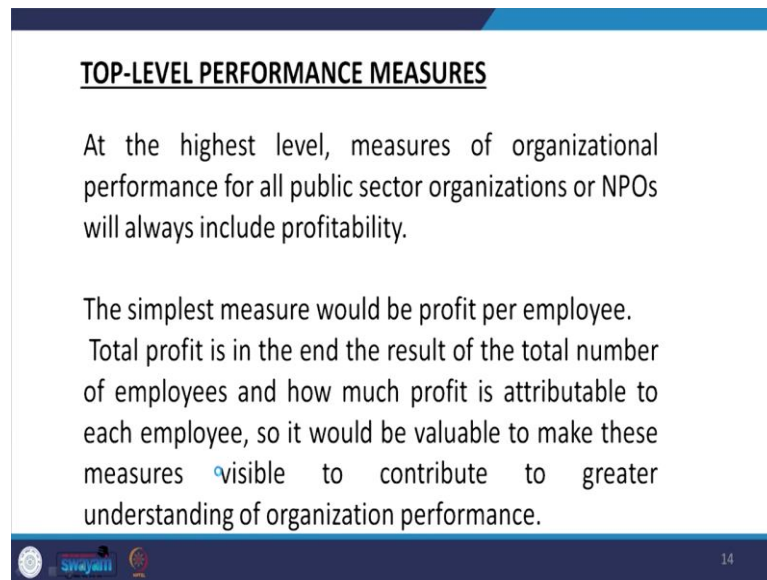
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A study also separated out what we termed human performance leaders. Only 9 per cent of the surveyed population rated the performance of their top three workforces at the highest level, rating them 5 out of 5, and they rated the performance of their HR and the training functions highly.

So, the human performance leaders are also to be identified by the HR of the organization. Because normally you will find that very few percentages like 9 per cent generally is the highest level performance of their top three executives, rating them 5 out of 5. And they rated the performance of their HR and training functions very highly, that is yes they have provided the training.

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TOP-LEVEL PERFORMANCE MEASURES

At the highest level, measures of organizational performance for all public sector organizations or NPOs will always include profitability.

The simplest measure would be profit per employee. Total profit is in the end the result of the total number of employees and how much profit is attributable to each employee, so it would be valuable to make these measures visible to contribute to greater understanding of organization performance.

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So, what are the top-level performance measures? At the highest level, measures of organizational performance for all public sector organizations or nonprofit organizations will always include profitability. The simplest measure would be profit per employee. The total profit is at the end of the result of the total number of employees and how much profit is attributable to each employee.

Now, it is just like I am sharing a bonus; normally, we talk about the ESOP employee share on profit. So, therefore, knowing for each employee, how much profit is coming. So, it would be valuable to make these measures visible to contribute to a greater understanding of organizational performance.

So, this is the simplest formula that, higher is the business returns, then the per head, higher is the amount; then definitely you can say that is this contributes to the greater understanding of the organizational performance, the organization is performing very well.

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Other basic measures of the health of human capital within a business include attrition or staff turnover rates, absenteeism rates, engagement levels or feedback from employee satisfaction surveys, average length of employee service, and total training days per employee and levels of training investment as a proportion of employee costs.

Organizations can improve profitability and performance by investing more capital, or increasing or reducing their investment in and cost of labour – in its simplest form, by adding or shedding staff.



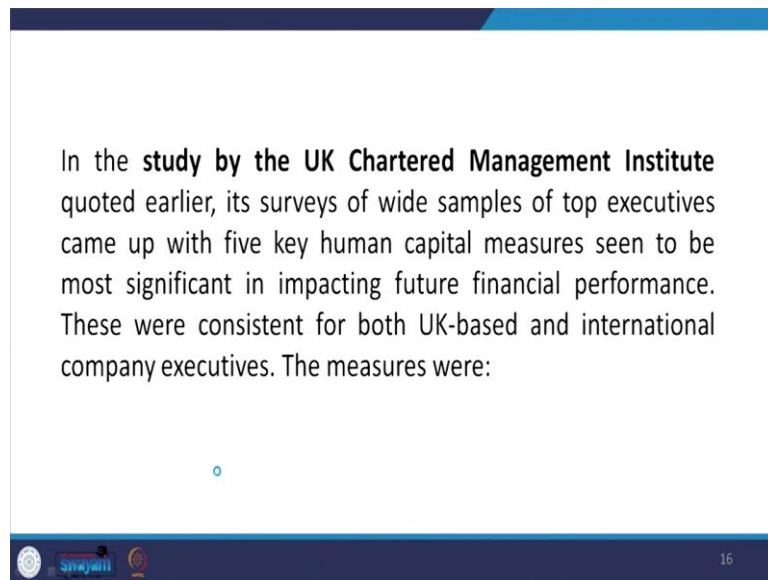
Other basic measures of the health of human capital within a business include attrition or staff turnover rates, absenteeism rates, engagement levels or the feedback from employee satisfaction surveys, average length of employee service, and total training days per employee and levels of training investment as a proportion of the employee's cost.

So, this will be measure. So, therefore, in that case, there will be total training days per employee, and their cost is to be measured. Organizations can improve profitability and performance by investing more capital. So, here it is becoming very important that there is a requirement for more capital or increasing or reducing their investment in, and the cost of the labour is there.

So, whatever their investment is there and the cost of the labour that will be checked, in its simplest form, by adding or shedding this staff is there. So, how it is to be done, organizations can improve their this profitability is thereby in the labour cost and in the labour cost, the cost of the trading and development is there.

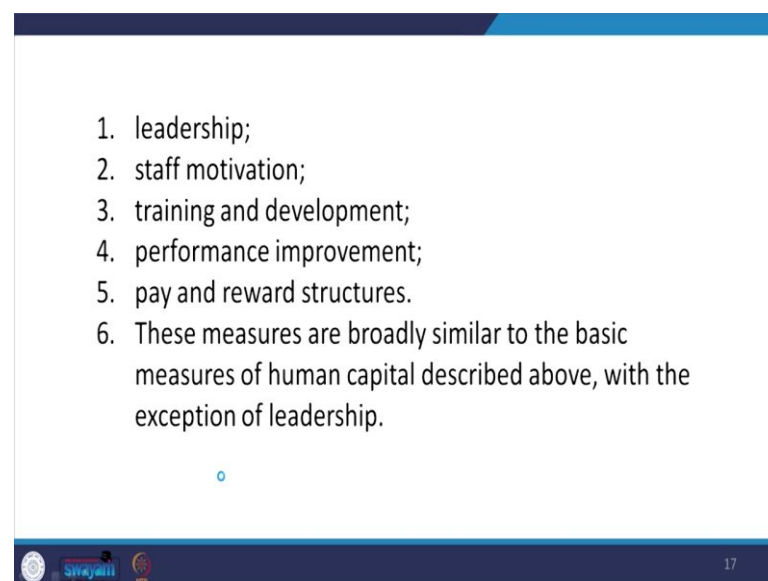
And by this increasing that training and development and performance that is better. And then when we talk about adding or shedding of this staff. So, when we are talking about the shedding of this staff, then definitely in that case profitable measurement will be there; but when you are talking about the employer branding, then it will be affecting and very high.

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So, in the study by the UK Chartered Management Institute quoted earlier, it is what we have mentioned about this study, its survey of wide samples of the top executives came up with the five key human capital measures seen to be more significant in impacting the future financial performance. These were consistent for both UK based and international company executives.

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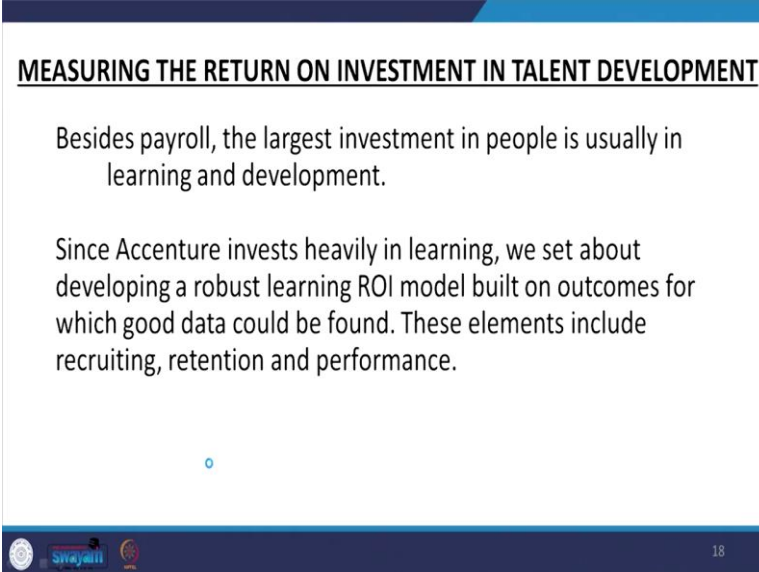
And there are six measures; one is leadership; that what type of leadership you are having. And if you are having that type of leadership, which is making the talent

development visible. Staff motivation, the willingness of the staff; to develop the talent, acquiring the talent, deploying the talent and then self-motivation.

Training and development of the manpower; performance improvements, and then measurement, which you are able to measure. Pay and reward structure, compensation and rewards; these measures are broadly similar to the basic measures of human capital.

So, these are the five pillars you can say in talent management; leadership, staff motivation, training and development, performance improvement, pay and reward structure, right. And if these five pillars are there, then definitely, in that case, you will find that is you will be able to measures broadly similar to the basic measures, and then you will develop the human capital.

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MEASURING THE RETURN ON INVESTMENT IN TALENT DEVELOPMENT

Besides payroll, the largest investment in people is usually in learning and development.


Since Accenture invests heavily in learning, we set about developing a robust learning ROI model built on outcomes for which good data could be found. These elements include recruiting, retention and performance.

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Now, finally, I can say that measuring the return on investment in talent development besides payroll, the largest investment in people is usually in learning and development, cost of training and development. Since Accenture invest heavily in learning, we set about developing a robust learning ROI model built on outcomes for which good data could be found. These elements include recruiting, retention and performance, the same which I have talked about.

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Performance was defined as 'per-person margin' and measured as the person's bill rate times the number of hours billed minus the cost of that employee over the same time period.

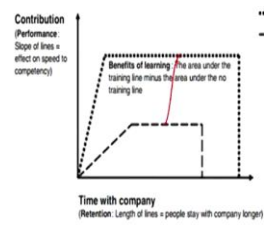


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So, performance was defined as the per person margin from where we have started and measured as the person's bill rate times the number of hours billed minus the cost of that employee over the same time period is there. So, therefore, if you are reducing that cost, per person margins cost is widely accepted in the firm.

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Per-person margin is widely accepted in the firm, and in similar services companies, as a measure of personal contribution to company performance. A simple conceptual model was developed as shown in Figure:



The Y-axis of the model, 'contribution', can be defined in terms of whatever activity is most meaningful to a company and particular workforce. For Accenture, the contribution measurement is the per person margin. The X-axis represents employees' time with the company. The presumption here is that the longer the employees are with the company, the more they contribute.

The Accenture Learning ROI model
Source: Vanthournout et al (2006).

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So, herewith this model, Accenture learning ROI as a contribution can be defined in terms of whatever activity is the most meaningful contribution in the performance. So,

that there is the for the contribution measurement per person margin, the X-axis represent employees time with the company; how much time the company has planned.

And therefore, when there is no training, you see the performance. So, the contribution with the training, that how much it is increasing this gap. So, therefore, this gap you find; the area under the higher training minus under the no training line. So, therefore, this gap is an achievement.

So, the contribution of this particular session is that that is if you want to measure talent management and ROI return on investment, please train your employees learning and development practices, and then you will find that ROI is increasing. This is all about this session.

Thank you.