

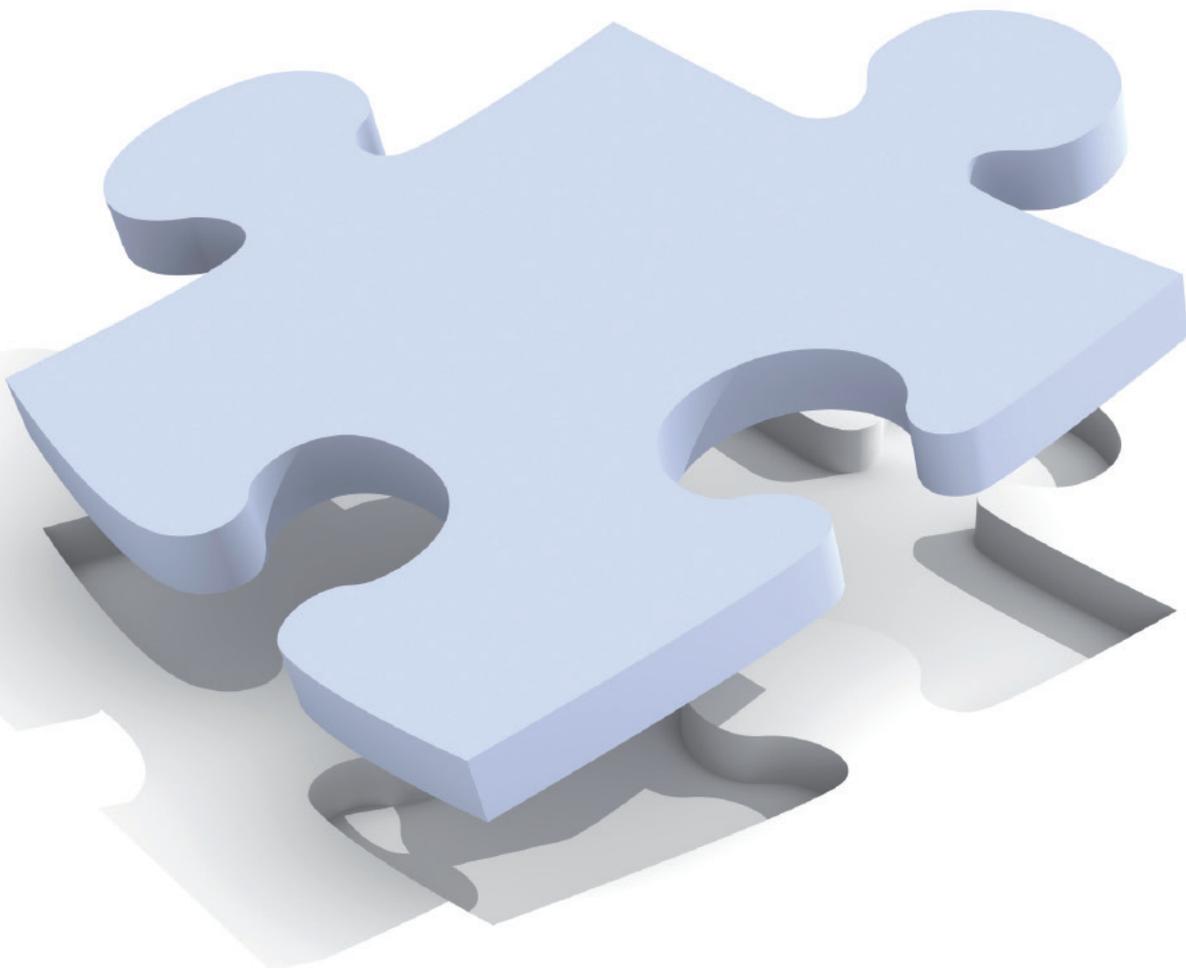
# CHIEF LEARNING OFFICER

Solutions for Enterprise Productivity

## One Size Fits One

BY OWEN J. SULLIVAN

Employees today want individualized career options. If management doesn't provide them, workers are going to take their knowledge and skills elsewhere.



Employees are taking more control over how, when and where they work. Consider the sizeable growth in virtual workplaces. Employees who have greater control over their work have higher levels of engagement. And higher employee engagement directly correlates to a positive improvement in the bottom line.

Yet employees are exhibiting signs of pent-up frustration about how they have been treated throughout the downturn. While employers may have taken necessary steps to streamline operations and remain viable, it appears employees have felt sidelined in the process. The result is a disconnected and unhappy workforce.

In a recent study of 900 workers in North America, Right Management found that 60 percent were dissatisfied with their present jobs and seeking new opportunities, while 27 percent were networking and updating their resumes. These insights provide a barometer for employee engagement.

Meanwhile, recent research conducted by Manpower found that 76 percent of organizations say flexible work arrangements boost employee morale, and 64 percent believe these policies increase retention. The bottom line is that employees today want more options.

There are three main reasons for the increasing demand for more options:

- 1. Personal economic security:** Successful individuals have experienced sustained prosperity and have secured more affluent economic futures.
- 2. Dramatic changes in social norms:** In many societies, social norms have been altered to accommodate or even encourage individuals to expand their life priorities beyond their career.
- 3. Ubiquity of communication and information technologies:** New technologies are making it easy to accomplish the same work from anywhere at any time.

Further, employees indicate that they want:

- Flexibility in how and where work gets done — meaning the ability to perform jobs where, when and how they want.
- Flexibility in how work is compensated — meaning the organization takes a holistic approach to compensation, with valued compensation ranging from more money to more time off or more time to be innovative at work.
- Diversity with career choices — meaning having accomplishments defined beyond the traditional measures of career success, with expectations of employers to accommodate and encourage life priorities outside of work.

- More options to learn and grow — meaning continued and varied career development opportunities that help them contribute in ways that are meaningful to both the employer and the individuals.

### Choices for the Knowledge Worker

The most highly skilled workers are mobile in any economy. People are attracted to career development opportunities, work-life balance and companies with perceived innovative cultures. If management doesn't provide employees with these opportunities, workers are going to take their knowledge and skills elsewhere. Employees today can change jobs because they can and want to, not because they have to.

The implications of not paying attention and not taking action now will cost businesses dearly. Not stemming the potential loss of high-value talent can result in:

## Employees who have greater control over their work have higher levels of engagement.

- Lower productivity as workers focus on job searches rather than on current performance.
- Lost business opportunities, which result not only in lower profitability but also in negatively affected customer retention.
- Unwanted turnover, which costs an average of 1.5 times the departing individual's salary, time applied to rehiring and on-boarding.
- Loss of intellectual capital as it walks out the door, along with the irretrievable investments made while the individuals were employed.
- Erosion of the workforce fabric impacting the dynamics of the organization's culture: the loss of the unique personality, history and values the individual imparts.

And yet it doesn't have to be this way. Leaders of all levels: Be forewarned. The time is now to take action by building and implementing a talent strategy that is aligned with the business strategy.

### Talent Strategy Best Practices

Lack of a formal talent strategy is the No. 1 impediment to executing business plans. Learning officers must apply the same rigor used to create an overall business strategy to develop a workforce strategy that:

1. Articulates a comprehensive vision of where the company wants to go, what unique value it delivers what it wants to accomplish.
2. Organizes work structures to unleash the knowledge, innovation and creativity of every employee in order to achieve that vision.
3. Examines, understands and delivers what employees want from their employers and work environments.

When designing a workforce strategy, you must first understand how complex trends and shifting business realities will impact your organization — now and in the future. This then allows you to identify the right people for the right jobs, build the necessary leadership competencies and skills, and develop and retain your best talent.

To do just that, CLOs should take the following five-step approach:

We need flexible developmental policies and processes that address the unique needs, preferences and expectations of individual workers.

1. **Inventory current talent and identify future needs.** Every organization has a strategy, but not all have people with the competencies to execute it. Create competency models and success profiles to align business goals with the talent needed to achieve them. Modeling identifies the knowledge, skills, abilities, experiences, motivations and personality traits an organization's workforce must develop to realize present and future strategic goals and enhance company agility, innovation, engagement and retention.
2. **Align the workforce strategy with the business.** A well-articulated strategy provides a sustainable, proactive process to execute strategic imperatives and build internal understanding. Identify employee and workforce issues impeding strategy implementation. Prioritize workforce manage-

ment strategies and align them with broader strategic goals. Keep in mind that once the strategy is communicated, it will often necessitate change. To avoid a change in direction that results in going off in all directions, the organization must maintain its focus. Managing change in a volatile business environment that seems ever more volatile is an increasingly pressing leadership challenge — which leads us to step three.

3. **Develop leaders and build a pipeline.** Investing in leadership development will ensure a steady flow of available talent to continue to grow the company over time. Build leadership capacity that is both deep and wide. Additionally, succession management can ensure a smooth, seamless transition from one leader to the next. A growing number of company boards and executives today are viewing succession management as a mandatory business process, encompassing all levels within the organization to ensure deep bench strength.

Further, make sure to develop leaders who understand the importance of ensuring all employees know what is expected of them. Establish performance goals and guide leaders to provide continuous feedback and coaching to their direct reports. Employees perform best when their efforts are linked to the organization's strategy. Ongoing performance management should include career discussions that ensure alignment of an individual's performance and goals with strategic objectives and measurable business results.

4. **Focus on retention and engagement.** Leaders need to clearly and effectively articulate business strategy, vision, mission and purpose to the entire workforce. A workforce that understands the organization's strategy is better able to execute it.

An engaged workforce is far more productive than a disengaged workforce and displays much higher retention rates. Improve retention and engagement by helping employees understand the significance of their roles and how they directly participate in achieving the company's business objectives and performance goals.

5. **Invest in career development.** Helping talented employees develop their careers offers forward-looking organizations a powerful engine for driving workforce engagement, retention and productivity. It also builds its reputation as an employer of choice and strengthens its ability to retain and attract top talent. Tap into employees to understand their individual motivators, skills and interests, and match these with business priorities.

## How Are Companies Responding?

What are companies doing to address the rise of individual choice, and how are they building solutions into their talent strategies? Let's consider the following example from Procter & Gamble (P&G).

P&G was experiencing growing retention issues, particularly for employees who had been in the same role for about two years. Employee engagement was trending downward for the second year in a row. Recently, there had been downsizing in the top and bottom levels of the organization, which meant that horizontal career growth opportunities had decreased significantly, resulting in an unprecedented increase in lateral movement across the company.

P&G learning leaders wanted to create an organizational shift so that employees could be more proactive and successful in managing their own careers. They implemented a career management program that included assessments, workshops and individual, one-on-one coaching. The program provided employees with career management tools to engage in self-discovery of their career-related issues and to translate data into pragmatic career plans.

To date, this program has been implemented divisionwide to several hundred employees in North America, the United Kingdom, Switzerland and China. P&G reports that the attrition rate of those who participated in the program is less than half the company average, yielding an ROI of more than 200 percent.

## The Impact of Customization and Flexibility

Individuals have diverse work preferences, needs and expectations. Companies need work practices and employee experiences that will attract and engage the best talent — those who are loyal, committed and take pride in their work and the organization. Individuals want to take greater ownership of their careers and development. Investing in developing talent from within, rather than hiring from outside the organization, will achieve greater employee engagement by ensuring work remains challenging and meaningful. Aligning the skills and capabilities of individuals with the overarching business strategy satisfies employees' need to make a difference and contribute to the company's overall success.

Customization and flexibility are essential to attract and retain high-value talent. We need flexible

developmental policies and processes that address the unique needs, preferences and expectations of individual workers. Employer brand and reputation will become increasingly important, as will demonstrating organizational values tied to broader social issues. The purpose of the organization and each employee's role within it needs to be meaningful.

To meet the demand of today's skilled workers, leaders need to:

## Lack of a formal talent strategy is the No. 1 impediment to executing business plans.

- **Provide leadership and strategy.** They must clearly define and communicate the strategy, align it with the company's mission and illustrate its overall impact on society.
- **Create a collaborative, flexible and innovative work culture.** The work culture needs to leverage new technologies and move toward team-based and outcome-oriented processes.
- **Understand and utilize levers of engagement.** Each of your employees is unique. Understand what engages them, their life priorities and their challenges. Create work practices that meet them where they are in life.

Building the workforce that is needed both now and in the future will be a key success factor. And once you have the right people in the right roles, you must keep them engaged. One size does not fit all. **CLO**

*Owen J. Sullivan is executive vice president of Manpower Inc. and CEO of Right Management, Jefferson Wells and Manpower Professional. He can be reached at [editor@clomedia.com](mailto:editor@clomedia.com).*

(#21204) Reprinted with permission from the August 2010 issue of Chief Learning Officer. © 2010 MediaTec Publishing, Inc. For more information about reprints from Chief Learning Officer, contact PARS International Corp. at 212-221-9595.

**RIGHT  
MANAGEMENT®** 

**A MANPOWER COMPANY**

1818 Market Street, Thirty-third Floor • Philadelphia, PA 19107 • 800-237-4448 • [www.right.com](http://www.right.com)