



# **Weathering the Storm:**

**Gaining Perspective on Human Capital Management Through Continued Uncertainty.**



**Lauren Herring – President and CEO**

# Realities of the Current Jobless Recovery

The American job creation machine is not working . . .

1. Skill misalignment
  - Expected shortage of 1.5 million workers with higher education degrees in 2020
  - At the same time, 6 million workers without a high school degree will be unemployed
2. Slow rate of new business creation
  - Fell 23% between 2007 and 2010
3. Small businesses hiring fewer people

Only in a high growth scenario does the U.S. recover full employment by 2020.

# Changing Workforce Demographics

Moving toward 2020, the challenge will be balancing the benefits of retaining older, more experienced workers with the need to ensure a talent pipeline of younger talent.



# Trends in the Workforce

## Disaggregation of jobs:

- A separation of high and lower level functions
- Drives out additional costs
- Jobs won't be replaced exactly as they were before the layoffs

# Trends in the Workforce

Anytime, anywhere workforce:

- Flexible and virtual labor force
- Enables working remotely
- Increases need for part-time, contractor and temporary workers

# Top Issues In Today's Global Business

## What Are Your Organization's Top Business Challenges?

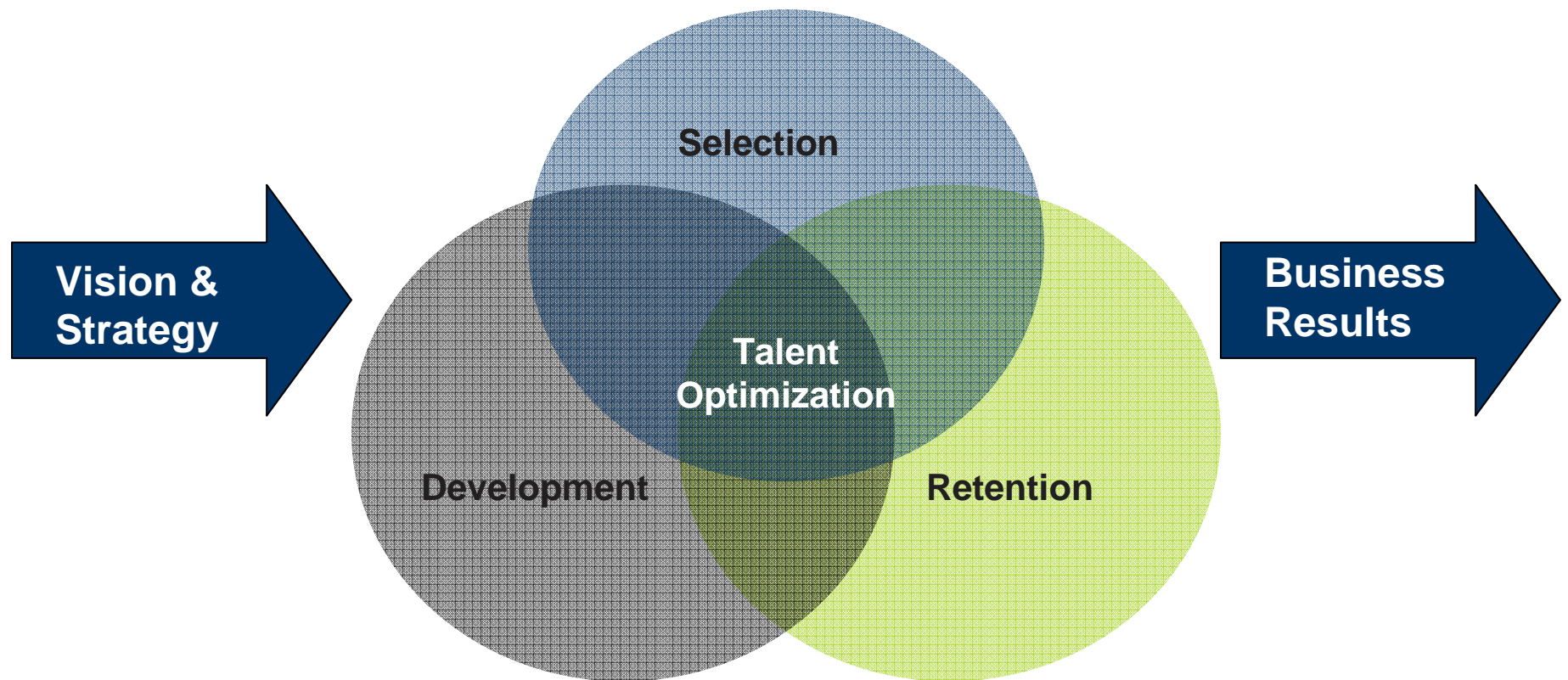


# Key Talent Challenges

## Top Five Talent Challenges:

1. Filling gaps in the leadership pipeline
2. Increasing innovation
3. Developing new skills to address product and business changes
4. Improving organizational learning
5. Creating a performance-driven culture

# Global Talent Management



# Key Talent Challenges

Biggest increase in the last year:

. . . Filling gaps in the leadership pipeline (up 40%).

45% of companies anticipate increased hiring year over year.

Despite what the media says . . . the war for talent is back.

# The New Normal

Engagement of critical talent is a top concern.

Role of middle management will be critical to business strategy execution and engaging the workforce.

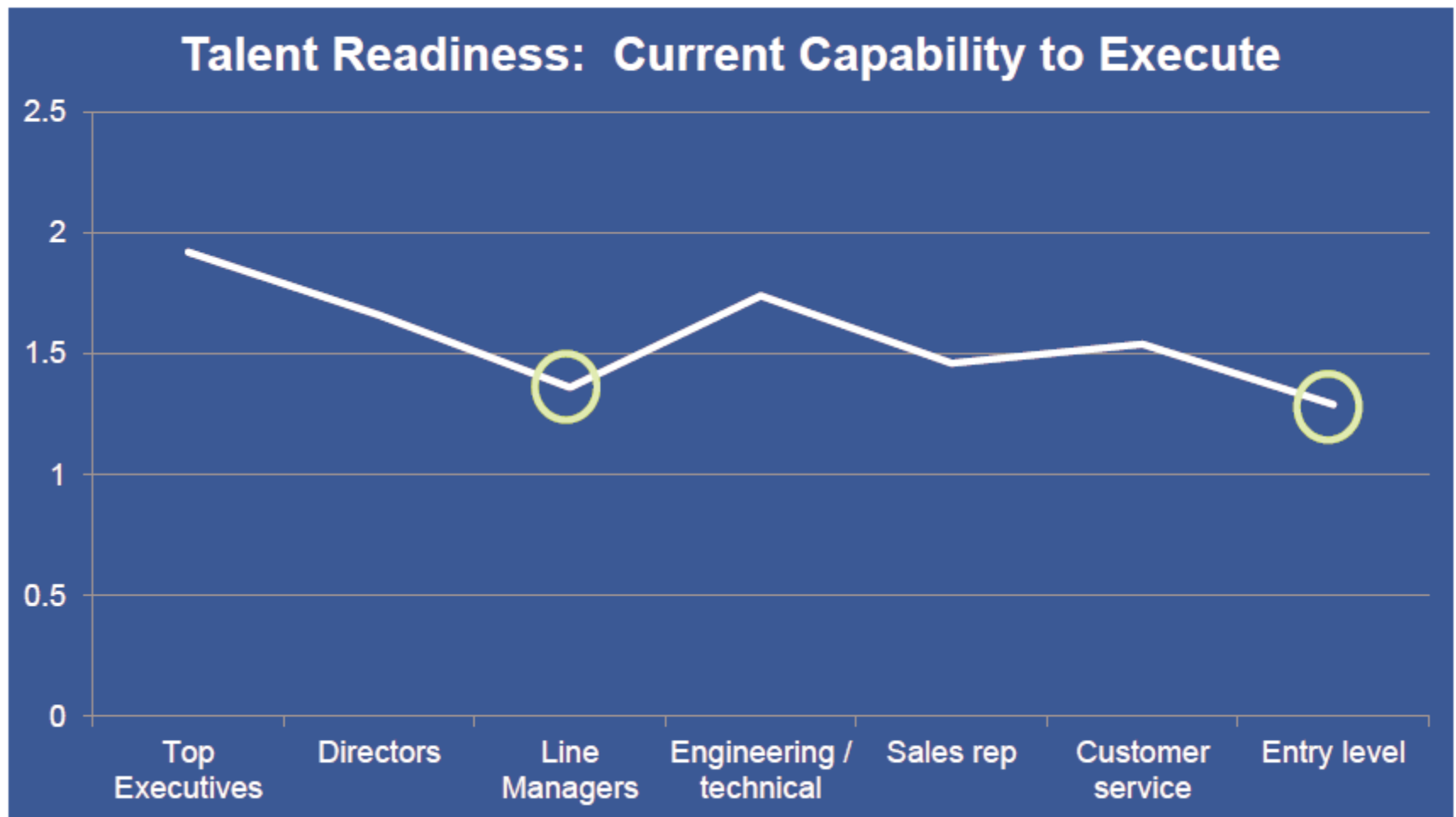


# The New Normal Demands New Leadership

However . . .

- There is a perceived gap in leadership effectiveness
- There is a general lack of confidence in leaders' ability to drive change

# Understanding Your Talent Readiness



Source: Bersin & Associates, 2011.

# Developing Talent

Improving a manager's effectiveness at employee development can **positively influence employee performance by as much as 25 percent.**



# Developing Talent

Leadership development comes from a combination of:

1. Coaching
2. On-the-job experience
3. Formal training
4. Rotational assignments
5. Other forms of career planning and development

# Keeping Them Engaged

Actively engaged employees experience 51% less turnover.

## Key Factors Impacting Engagement

- Relationship with manager
- Development
- Career Opportunities

# Why Invest in People?

1. Stronger financial performance
2. Almost 100% of goals aligned with organizational goals
3. Ability to act on performance issues after yearly review AND on an ongoing basis
4. Engagement and retention of high-potential talent

# Talent Alliance™

- Assess your strengths.
- Build your plan.
- Implement your plan.
- Measure your success.



**Engage. Align. Coach. Develop. Retain.**



**THANK YOU**

**Lauren Herring – President and CEO**

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