

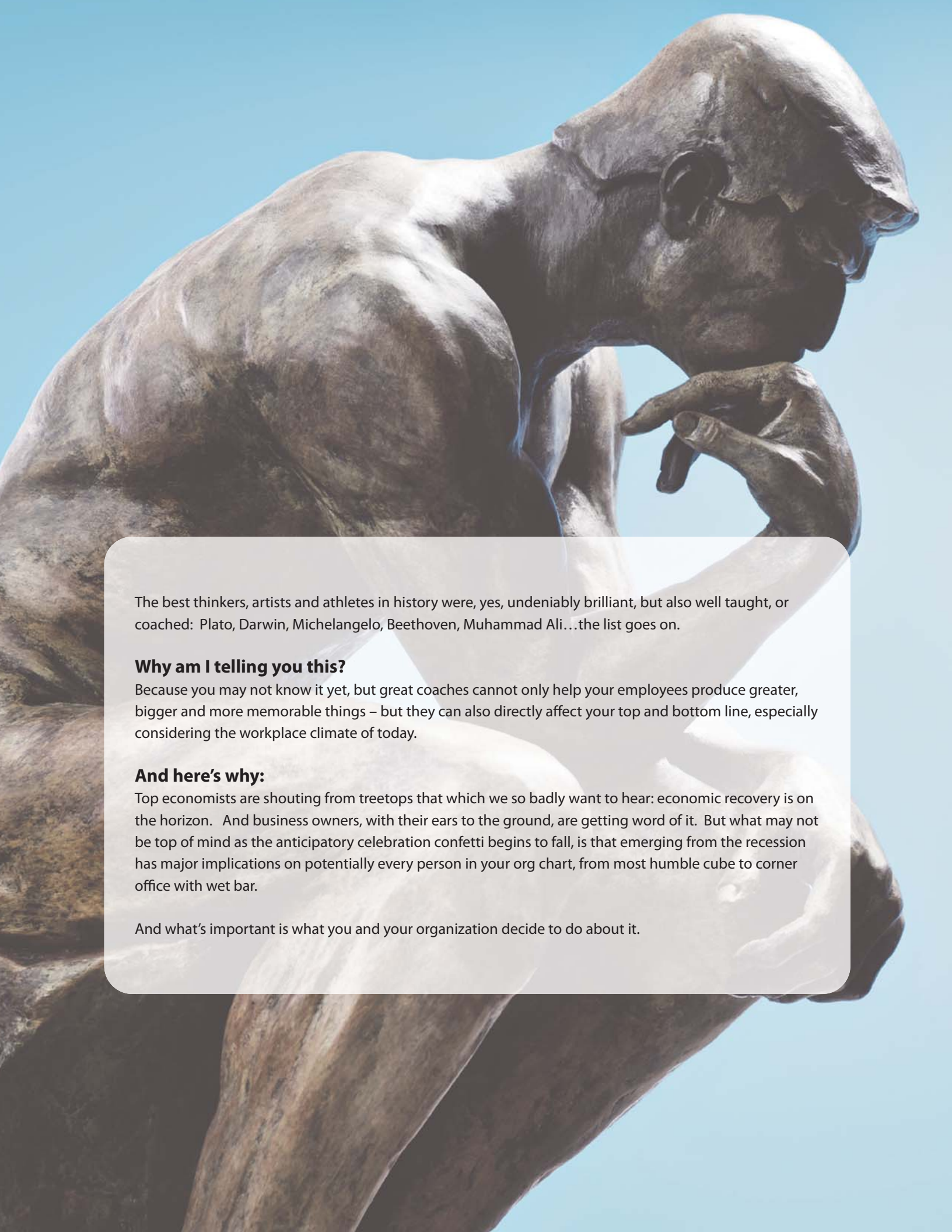
The background features a vibrant sunburst pattern in shades of orange, yellow, and blue, radiating from the top center. Below the sunburst is a silhouette of a city skyline in various shades of orange and red. The Impact Group logo is centered in the upper half of the image.

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The Awakening

Understanding the Post-Recession Talent Reality



The best thinkers, artists and athletes in history were, yes, undeniably brilliant, but also well taught, or coached: Plato, Darwin, Michelangelo, Beethoven, Muhammad Ali...the list goes on.

Why am I telling you this?

Because you may not know it yet, but great coaches cannot only help your employees produce greater, bigger and more memorable things – but they can also directly affect your top and bottom line, especially considering the workplace climate of today.

And here's why:

Top economists are shouting from treetops that which we so badly want to hear: economic recovery is on the horizon. And business owners, with their ears to the ground, are getting word of it. But what may not be top of mind as the anticipatory celebration confetti begins to fall, is that emerging from the recession has major implications on potentially every person in your org chart, from most humble cube to corner office with wet bar.

And what's important is what you and your organization decide to do about it.

Talent inventory

As the economic horizon begins to defog and some light pours in, take an opportunity to look around your office and do a little internal inventory. Look at the faces of those who have made it through the hard times and have braved the storm with you. Look at the employee sitting in a cube entirely surrounded by vacant ones. Look at those who are now, for the same pay, doing the jobs of three people. Look at those A-players who you consider the lifeblood of your organization, but appear crippled by low morale. Consider the very green, wide-eyed employee enlisted into management like the last kid picked for the kickball team. And notice the increasing numbers of clock watchers and workplace zombies.

It might be a scary place.

The blame game

Call them selfish or ungrateful and go on telling yourself: "Hey, they should be happy they have a job." [Whatever helps you sleep at night] But then wake up tomorrow morning and think: Is feeling "happy to just to have a job" a flagship characteristic of a high-performing, high-potential employee? Once your inventory is complete, consider the following questions:

- Are your employees actively engaged?
- Are your employees performing at the level they should be?
- Are your employees having a curious number of "oil change appointments" or "doctor's visits"?
- When is the last time any of them whistled while they worked?

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Only 30% of employees are fully engaged in their jobs.

Engaged employees have:

51% less turnover
27% less absenteeism
and are **18% more productive**

The exodus

"The Bureau of Labor Statistics reported in February 2010 that the number of employees voluntarily quitting their jobs surpassed involuntary terminations (through layoffs and discharges) for the first time since October 2008."⁽¹⁾

Yes, even the "should be happy" are, in fact, leaving. And according to a recent study from SuccessFactors Research, the voluntary turnover of high performers is costing US businesses an astounding 340 billion dollars a year – not to mention internal disruption, knowledge and skill loss and productivity gaps.⁽²⁾ To paint another pricey picture, it is estimated that, at a minimum, turnover costs the organization 150% of each employee's annual salary. So each 100K employee, out the door is costing you 150K, each 200K employee: 300K.⁽³⁾

So why, oh why are they leaving? Well this may be comforting to hear:

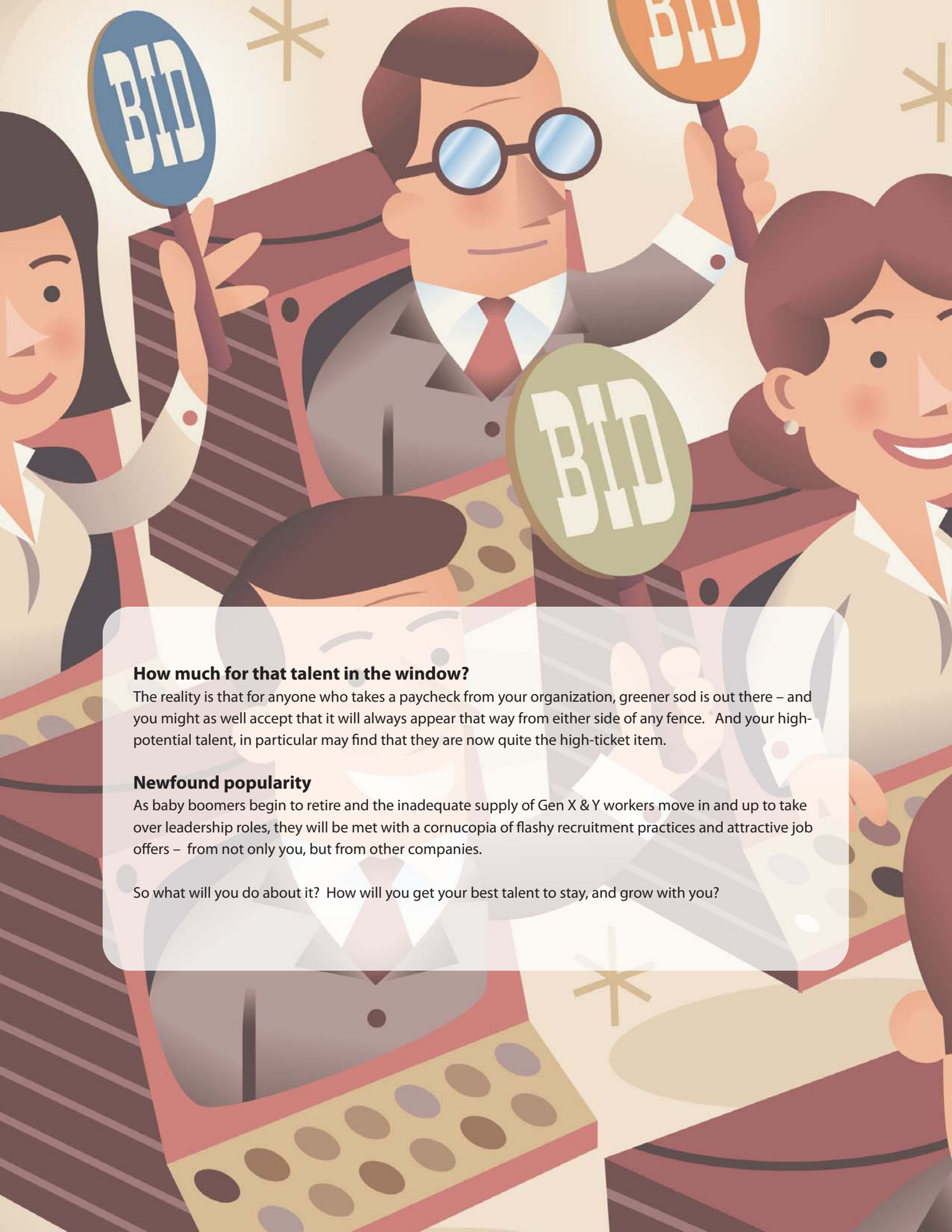
It's not you, it's them

Employees are simply NOT ENGAGED. In fact, a survey by Blessing White, a global consulting firm, found that only 30% of employees are fully engaged in their jobs. The remaining 70%, less so – which is alarming considering engaged employees have 51% less turnover, 27% less absenteeism and are 18% more productive.⁽⁴⁾

Their survey of 1,000 executives and professionals also found that:

- Less than half (48%), of employees today believe they have good career opportunities with their current employer
- 39% expect their next career move would be with another employer
- And 34% say they plan to change jobs within the next year in an ideal economy

A recent WorkUSA Survey Report found that Q1 companies with a healthy stock of engaged employees bring in an estimated 26% more revenue than less engaged Q4 companies.⁽⁵⁾ – so each unengaged employee is costing you.



How much for that talent in the window?

The reality is that for anyone who takes a paycheck from your organization, greener sod is out there – and you might as well accept that it will always appear that way from either side of any fence. And your high-potential talent, in particular may find that they are now quite the high-ticket item.

Newfound popularity

As baby boomers begin to retire and the inadequate supply of Gen X & Y workers move in and up to take over leadership roles, they will be met with a cornucopia of flashy recruitment practices and attractive job offers – from not only you, but from other companies.

So what will you do about it? How will you get your best talent to stay, and grow with you?



Desk clocks and paperweights

No. I don't think you are taking this seriously.

Bribery

You might try money. And you may think giving them a raise will keep them in their chairs. Think again. According to a Towers Watson study, salary is only the 4th most important driver for retention. Deemed more essential were an inspirational manager, opportunities for advancement and a "good employer" company reputation. ⁽⁶⁾

With employees, it appears you can't buy them love, as higher pay does not lead to higher employee satisfaction, engagement – nor to retention.

Now that your wallet is put away, consider these bigger questions:

Are your talent retention and talent development ducks in a row? Are you considering your talent pipelines and ensuring they will be effectively filled for the future? If not, rest assured, you are not alone. Seventy percent of organizations say that they have insufficient talent pipelines for critical jobs. ⁽⁷⁾

Bench Strength

Another "top-of-to-do-list" priority sitting cold on the corporate backburner is development and maintenance of key management – and studies show this has been the case for over two decades. ⁽⁸⁾ No question, development and retention of middle management and high-potentials are crucial; but what have you actually done to prepare them for their next step? Are you sure they are immortal and will be with you forever?

So how do you make sure you keep the keepers, and keep them engaged and productive, as well as build up a sturdy talent base harmoniously in sync with your overarching goals?

Top Retention Drivers

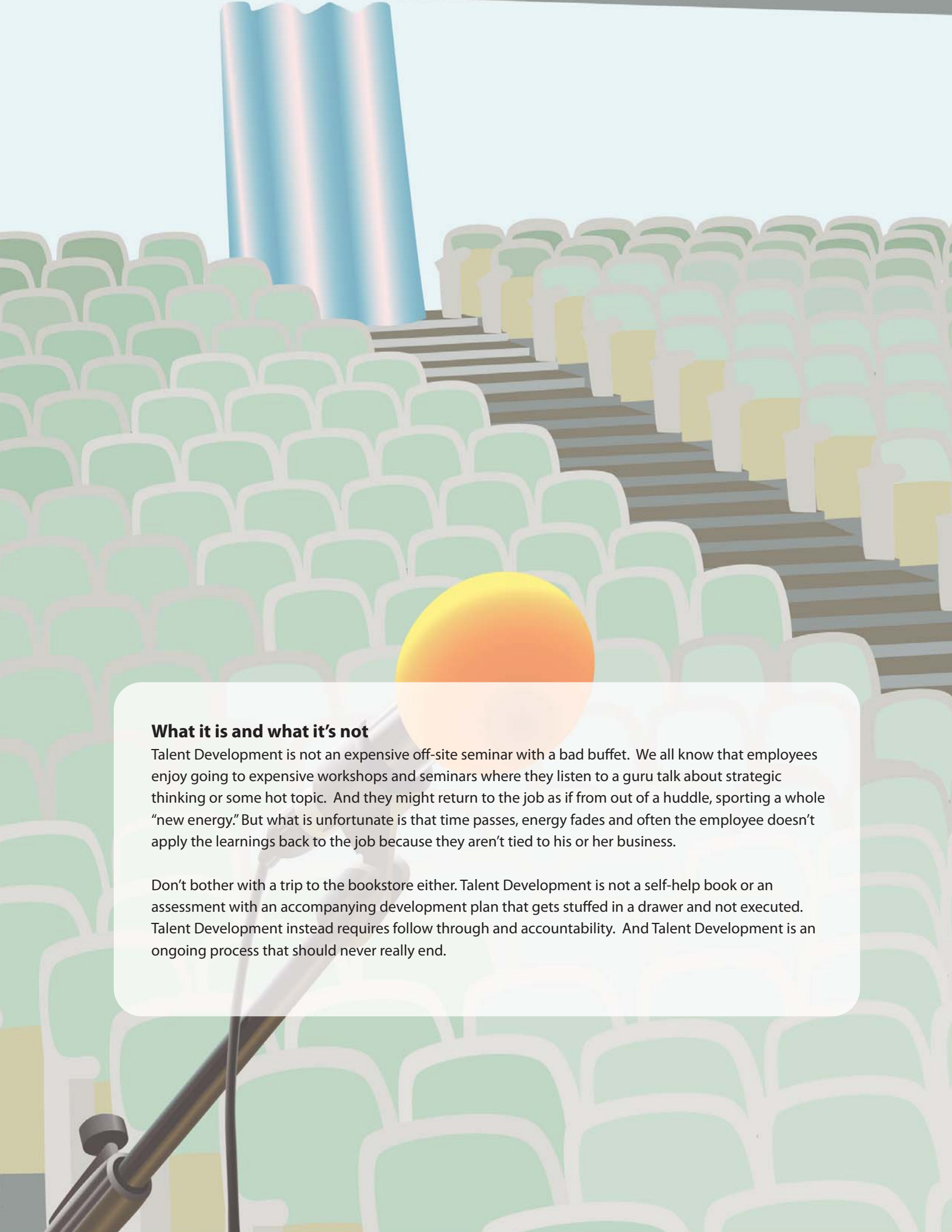
1. Inspirational Manager
 2. Opportunities for Advancement
 3. "Good employer" Company Reputation
 4. **Salary**
- 

The background features a large circular frame containing a central silhouette of a man in a suit and tie. This central figure is surrounded by several other, lighter-colored silhouettes of people in business attire, some appearing to be in motion or interacting. A white crosshair is overlaid on the central figure, with a vertical line and a horizontal line intersecting at the center. The overall color palette is a mix of dark and light blues, greys, and white.

Talent Development

Talent Development increases employee satisfaction, productivity and overall engagement reduces churn; aligns employees with company goals and secures a healthy totem pole of apt successors. Talent Development allows employees to improve upon weaknesses and strengthen strengths – a win-win under your roof. It is true that employees should own and drive their own careers and be accountable for their development. Yet despite their best intentions, employees, too, fall short in driving their own development because of lack of insight on the process and follow through.

And one might believe that managers are to serve as harbingers of the employee development cause. The truth is: development coaching often falls to the bottom of the priority list for managers due to lack of time and other priorities. In fact, Towers Watson (2010) found that 53% of employees question whether managers have time for the people aspects of the job and only 41% of employees think their managers have commitment to developing critical talent.⁽⁹⁾ And take a moment to recall that inspirational managers are a top retention driver...



What it is and what it's not

Talent Development is not an expensive off-site seminar with a bad buffet. We all know that employees enjoy going to expensive workshops and seminars where they listen to a guru talk about strategic thinking or some hot topic. And they might return to the job as if from out of a huddle, sporting a whole “new energy.” But what is unfortunate is that time passes, energy fades and often the employee doesn’t apply the learnings back to the job because they aren’t tied to his or her business.

Don’t bother with a trip to the bookstore either. Talent Development is not a self-help book or an assessment with an accompanying development plan that gets stuffed in a drawer and not executed. Talent Development instead requires follow through and accountability. And Talent Development is an ongoing process that should never really end.

An illustration featuring a golden trophy being held by several hands of different skin tones. The trophy is a two-handled cup on a tiered base. The background consists of a sunburst pattern of light blue rays emanating from a central point on the left, set against a darker blue background. The hands are positioned as if presenting the trophy, with some hands supporting the base and others reaching towards the cup.

The coach

Like most clever white papers, we find ourselves back where we first met... talking about coaches. Think back on your experience with coaches and let's keep it simple. Would the Little League team have worked out without the coach: the schedules, jerseys, water and oranges? Would the players have been organized and sent out to the bases? Could the team have achieved that trophy without...the coach?

Whether the coached are age 5, or 50 – the same is true: coaching is key. In case you didn't see this coming: like Little League, Talent Development is taken to the next level through coaching. No longer a passive process, development through coaching actively engages employees through experiential development and learning through others – in addition to traditional means. Ideally, the coach works with the employee and manager to determine personalized goals and action plans, and then [most importantly] makes sure the employee reaches them and executes them. The coach can't acquire dust on a nightstand, or serve as a frequent flyer-friendly conference with attendance proven only by a bounty of promotional pens.

With its focus on execution and accountability, the coach instead is the living, breathing means to the trophy.

Now go

Set up your high-potential employees with a great Talent Development program and partner them with their Socrates or their Bear Bryant. Or set them up to walk out your door by end of Q4.

As The Transition Expert, IMPACT Group has over two decades of expertise and experience to help organizations manage every phase of the employee lifecycle. IMPACT Group specializes in providing superior career management support solutions for employees transitioning in, within and out of the organization. Our services include Outplacement, Relocation, Talent Development and Retirement assistance. IMPACT Group combines one-on-one professional consulting with leading-edge proprietary technology to provide innovative, results-oriented programs, ranking it among Inc. Magazines Top 500 Fastest Growing Companies. Visit IMPACT Group online at: www.impactgrouphr.com.

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