

Maintaining an effective people Supply Chain – what successful integrated talent management really means

In 5 years time the leadership of your organisation may have changed. By then the world will have moved on further and your business will have too. It's even possible that your entire organisation will be structured differently and led by new teams. So, how are you planning for this?

If the recent recession has taught us anything, it is the ability to respond fast and in the right way to change. The ability to respond fast and in the right way is what has sustained organisational performance and will continue to sustain it in the future. Organisations which have not been able to adapt to emerging needs simply have not survived. So what has this got to do with talent management? Quite simply, people are a key factor in your organisations performance and yet all too often the organisational demands for talent are not met with the right supply, at the right time: the people supply chain has failed.

In this changing world, not everything is changing...

Fact: Talent is a competitive weapon

When the world moves out of recession, the key differentiator for organisations will be its people and top talent will keep you at the top. But the definition of talent has evolved and is no longer just about leadership talent. You can have good leaders, but without the right teams under them who have the right skills and capabilities deployed in the right way to meet the current needs of the market, the only place they will be leading them to is the job centre or to a competitor... or sometimes even

jail. Successfully leading UBS out of the credit crunch was not enough to save CEO, Oswald Grubel, and other executives when the bank's lack of effective risk management allowed a rogue trader to cause losses of \$2.3bn. Risk management in the FS industry is a prime example of the shift in the type of skills and talent required to support the future business. Leaders across all industries need to be predicting and investing in the skills required for the future and pivotal roles that will drive and sustain their business in the new world, and thus ensure a healthy people supply chain.



Fact: Talent is a scarce commodity

The war for talent is a phrase born out of reality – the best people to lead your business and differentiate you from your competitors are not readily available nor in ample supply. To win the war, organisations need a game plan and need to have their eye on the right targets, which are not easy to identify. Yet, this demand for new types of talent does not detract from the need for the old. In fact, retaining that talent which saw you through the difficult years and understands the old and new business will be key to maintaining organisational performance. The consequence of organisations broadening their talent definition and entering new battles is that the war for talent continues to grow. How to attract, grow and retain talent is becoming a much bigger job. In the new world where scarce skills are fiercely competed for, employees expect more from their employer than job security, and big bonuses are a thing of the past, businesses need to rethink strategies to engage and retain their talent.

Fact: Talent management is key in driving business performance

Globalisation, 2.0 technologies and social media mean that the world is changing faster than ever before, and businesses need to respond to this change, adapt and redistribute talent accordingly. How will you identify your top talent? Where will it be “homed” and will it even be possible to deploy it effectively across the changed business? The CIPD 2011 Learning and Development Survey uncovered that of the 61% of organisations that undertake talent management activities; only 50% consider these to be effective, with a general lack of consistency in defining talent and talent management.

Getting talent management right means the right people, the right place and the right performance: what Capgemini has defined as R³ (see figure 1). How and where you

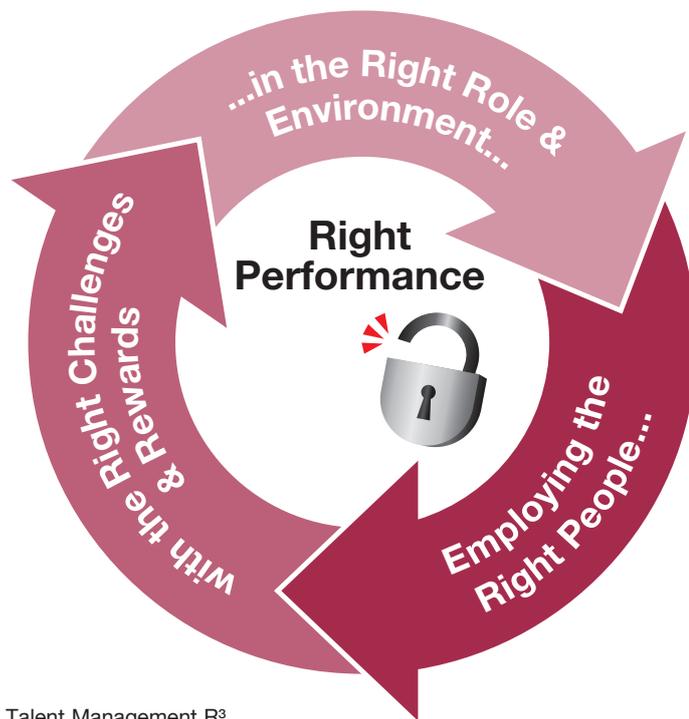


Figure 1: Talent Management R³

deploy your talent is vital to success, and to enable effective decision making around that you need good information, and you need it now. Talent management isn't just about keeping your top performers, it's about having a robust system for identifying what your definition of talent is, where it is, where it needs to be and how to get it there. Integrated talent management means maintaining an effective and continuous people supply chain.

Capgemini's approach to optimising the people supply chain

To have a robust people supply chain, you must have a clear and effective approach to talent management. This should be intrinsically linked to the long-term business and people strategy, enabling it to be future focused and most importantly future proofed. Our approach is to work with you, to understand how your organisation aligns with the three levers we have identified below for optimising the people supply chain.

Step 1: Identify where you need to invest.

Do you know the people and teams required to deliver the future business strategy? To guarantee future success, organisations need to determine what are the future skills, pivotal roles and team structures that require focused investment now to be able to deliver in the future.

Capgemini Solution: Strategic People Risk Management

This involves establishing a partner model with a direct relationship and proactive process between the risk management and HR functions of the organisation. Better alignment of people and risk management activities with the overall strategic direction of the business creates a clear line of sight between the goals of the organisation, the people required to deliver those goals and the operational HR and people levers that must be pulled to effect change. Short, medium and long term risks are developed into a structured portfolio to mitigate risks and manage opportunities.

Step 2: Prepare the business to support and sustain that investment

Once future people requirements are understood, the business needs to be adapted to support the new workforce. Yet, particularly in the current climate, business as usual must not suffer as a result. Organisations must apply a transition plan which enables the right organisation for the future, whilst minimising destabilisation of the workforce. At the same time, they must plan for the future to ensure the change is sustained. The three solutions of Workforce Rebalancing, Talent Tools and People Change demonstrate the Capgemini approaches to ensuring this happens.

Capgemini Solution: Workforce Rebalancing

This is a structured approach to managing capability, capacity and engagement through a period of transition, in order to support business objectives and minimise disruption (see figure 2). A robust workforce transition plan delivers three major benefits:

- a) Ensuring the right organisation for the future and the right path for people with an underpinning strategy on how to handle the change practically
- b) Moving through the change with minimum disruption and destabilisation of the workforce – for example, by retaining key people
- c) Refocusing people on the future – settling them early and minimising the usual slump in motivation and productivity that takes place

Capgemini Solution: Talent Tools

Reviewing, realigning or potentially (re-)developing a competency framework to support the new world ensures that people are recruited and developed in line with the performance needs of the business. To ensure integrated talent management, all people processes, including learning & development and reward should be aligned to support the framework and thereby ensure a well-oiled and continuous people supply chain process. To achieve this, Software as a Solution

(SaaS) platforms are increasingly becoming the way forward, as they offer flexibility and low-cost integration by working with existing ERP systems. Capgemini partners with a number of SaaS providers to support the implementation of these solutions.

Capgemini Solution: People Change

Our approach to people change supports, accelerates and sustains the transformation process through an integrated strategy and dedicated effort to address people aspects. Through the application of a change plan which integrates Capgemini's seven proven change levers, we manage the active contribution of stakeholders towards the change, increasing the likelihood of transformation success and achievement of the anticipated benefits

Step 3: Realise the benefits

There is a clear business case for integrated talent management as the solution to maintaining an effective people supply chain. However, it can be all too easy to view the benefits of people initiatives as intangible. Yet, this is often only because good data is not available to track and measure the cost and benefit of investing in people initiatives. The value of people data is often overlooked.

Capgemini Solution: HR Analytics

Our approach enables people issues to be addressed and benefits realised by analysing existing HR and business data. Modelling techniques are then applied to inform and optimise areas including:

- workload planning and allocation
- resource scheduling
- pay and reward strategy
- staff retention
- workforce evolution

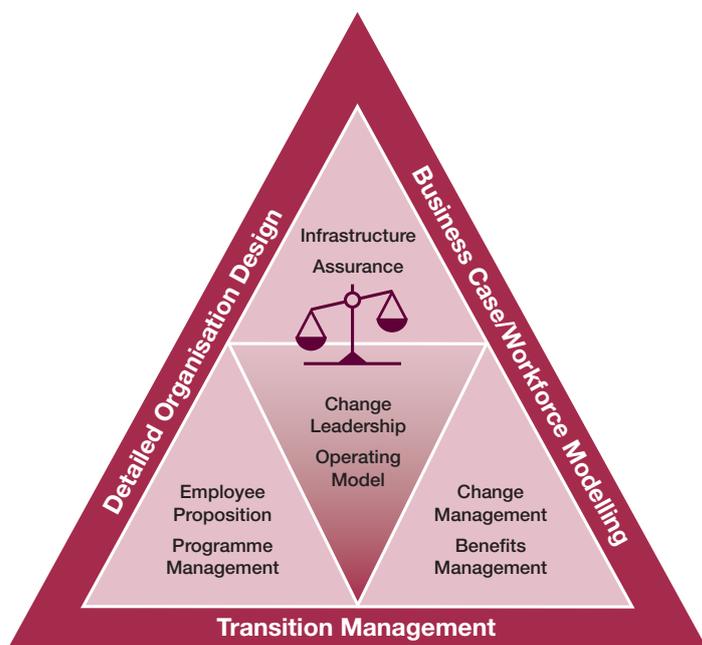


Figure 2: Capgemini Workforce Rebalancing Approach

Capgemini Solution: Benefits Management

Our Business Analytics Team specialises in benefits driven data modelling and analytics. Their approach to benefits identification, quantification and evaluation enables the value from people initiatives to be fully understood and evidenced back to the organisation.

Match demand with supply to optimise your people supply chain

So, talent management is essentially about creating and maintaining an optimal supply chain of people to meet the current people needs of the business; managing the talent inventory with supply chain rigour. Through identifying where it invest, supporting and sustaining that investment and tracking the benefits, a robust people supply chain which is intrinsically linked to the long-term business and people strategies can be achieved.

This means looking at the entire employee lifecycle and making sure there is a plan to get the right definition of talent in the right place at the right time, retaining and developing them with the right rewards and challenges.



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Capgemini Consulting is the global strategy and transformation consulting organization of the Capgemini Group, specializing in advising and supporting enterprises in significant transformation, from innovative strategy to execution and with an unstinting focus on results. With the new digital economy creating significant disruptions and opportunities, our global team of over 3,600 talented individuals work with leading companies and governments to master Digital Transformation, drawing on our understanding of the digital economy and our leadership in business transformation and organizational change.

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