



Making the Cut, Part 1

What a difference a year makes. The message we were left with from the Human Resources Professional Association conference *Innovate '08* was that talent management would become increasingly more challenging as the “grey wave” of baby boomers exited the workforce. As of the midpoint in 2008, over 60% of HR professionals felt that attracting and retaining talent was a key business driver.

Who knew that the impending economic meltdown would change the landscape of talent management entirely? The downturn we experienced in the last two quarters of 2008 has shifted the balance for available talent to a buyer’s market. The challenge we are now faced with is retaining the key talent that was being groomed for succession and making sure that as an organization we make the right moves if we’re forced to reduce headcount. I will focus on making the right cuts in subsequent article.

With the reduction in the value of pension funds available many boomers have been forced to make the decision to stay in their current roles much longer than they may have anticipated. That means that development opportunities for many have either dried up or timelines have been shifted beyond what may be deemed to be acceptable to some of the great “younger” talent you’ve got on your team.

Although the retention of these performers may not be a short term threat, it is certainly a condition that needs to be factored into any strategic planning for your organization. Most projections are that under the current economic conditions it is more likely for people to maintain the status quo and not risk the market conditions. However, some pundits are suggesting that we could be experiencing a recovery in as little as 5 months. The longer timeline is still just a year away.

The question for the entire leadership team is how to keep this group of talented individuals engaged and committed to your team. The top drivers of engagement in an organization are;

- Confidence in the future of the organization
- A promising future for the associate
- Company supports work/life balance
- They are excited about their work
- They have confidence in the organizations senior leaders

If the timeline for a recovery is just 5 months it is critical that your leadership team maintain a solid communication plan so that collectively you minimize the potential impact that the loss of key/critical performers will create. We believe that with the timing involved your strategic planning process should align with the following;



people smart, results driven.®

- This is the time to evaluate and identify the core business issues for your organization
- This is the best time to invest in training
- This is the best time to coach your people

Leadership practices drive engagement and results. Almost 75% of the reasons why people leave organizations is under the control of the organization. It's the age old "chicken or the egg" syndrome. Organizations with an engaged group of associates outperform the bottom 25% by a margin of 2 to 1. Are the people with the company because it's a winner, or is it a winner because of the engaged and committed staff?

Your people need to hear from the leadership team more now than ever. Solid communications shouldn't just happen during periods of crisis. Understanding the behavioural drivers for your team is more critical now than it ever was. In this market getting a leg up on the competition could be the difference between survival and extinction.

We know that behavior is responsible for as much as 25% of workplace performance. Does your leadership team have a solid grasp as to the behavioural makeup of the people that drive the organization? PI clearly gives you that competitive advantage by allowing you to take a look under the hood with the talent you've got on your team. Is the timing right for you to check in with your PI consultant to develop a communication plan that suits your leadership style?

(Look for *Making the Cut, Part 2*, in the April edition of *Connecting the Dots*)

**Bob Woodcock, Managing Principal, Toronto West and Ontario South and West,
Predictive Success**

[Back to Predictive Success website](#)