





Second place is good too, right?



We don't think so either.

Our clients want to win. They know that only the highest performing, most engaged talent can deliver what they've promised their customers and investors. They rely on The Talent Strategy Group to quickly elevate their company's talent quality and to radically simplify their talent building practices.

Our global team of consultants (all former human resource executives) can help you to transform your company's talent into a key competitive asset. We will work with you to create a talent strategy, identify high potential talent, accelerate talent development and elevate performance across your company.

We help the world's largest and most successful companies to build better talent faster. Let's talk about how we can get your talent into first place.

Visit us at www.talentstrategygroup.com or contact us at info@talentstrategygroup.com



ENABLERS AND BLOCKERS

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OUR 2014 FINDINGS

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ABOUT THE NTMN & 2014 SURVEY

1

ABOUT THE NEW TALENT MANAGEMENT NETWORK

The New Talent Management Network (NTMN) is the world's largest global network of talent management professionals. With a focus on serving corporate practitioners, we have more than 2,500 members around the world and City Groups providing members with opportunities to learn and network. The NTMN is completely free to members – there are no dues or fees required to participate in any activity. We don't believe you should have to pay to network and learn.

WE HAVE THREE OBJECTIVES

- Increase the capabilities of TM practitioners and the effectiveness of this profession
- Coordinate opportunities for local, free networking amongst TM professionals
- Improve talent management effectiveness by conducting original research that benefits the TM community

Member benefits include participating in City Groups, NTMN webinars, the ability to search our member database, access to the NTMN job board and early access to all of our research.

If you're not already a member, please join us today at www.newtmn.com.

Thank you for your continued support!



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CEOS SUPPORT TALENT BUILDING; HR UNDERCUTS THEIR OWN AGENDA

Transparency and accountability in short supply

#1: CEOS, TALENT TEAMS AND GENERALISTS ENABLE SUCCESS

Our regression analysis showed that a supportive CEO, effective talent management team and aligned HR business partners are the statistically largest enablers of a company's ability to build talent, according. What doesn't appear to enable success? Statistically speaking, everything else we asked about including having a talent strategy, managerial accountability, transparency, the CHRO's experience and HR technology.

#2: YOU CAN SPELL TEAM WITHOUT AN H OR AN R

Although a large enabler of success, a surprisingly small percentage of talent teams say they function effectively as a group (56%) and an even smaller number say that their HR business partners support the talent agenda (53%). That finding held across companies of every size. When CEOs and their direct reports are considered more supportive of talent management than HR itself, there's some work to do.

#3: LITTLE TRANSPARENCY AND NO ACCOUNTABILITY

Those wondering why their talent practices aren't as effective as hoped should visit these statistics first. Just 17% of companies reported that negative consequences exist for managers who don't develop their staff and 41% say there are positive consequences for managers who do. When managers aren't held accountable for their talent management outcomes, we shouldn't expect any meaningful change in their behavior.

Equally challenging is the lack of transparency reported by the vast majority of responding companies. Just 30% said that they were transparent with their leaders about their potential to advance in their company. Perhaps that lack of transparency reflects the poor talent depth that lack of accountability brings . . .

1 CEOs STRONGLY SUPPORT TALENT BUILDING; SHOULD TELL THEIR TEAMS

In results that suggest a significant, positive shift, 72% of companies reported that their CEO actively supports talent building in their organization. Less than 10% disagreed with that statement. In a slightly curious finding, the CEO's direct reports scored lower on their active support of talent building than the CEO (59%). The CEO's direct reports were also less enthusiastic overall on the topic, with only 10% of companies reporting that they "Strongly agreed" that they supported talent building vs. 24% for their CEO.

COMPANIES WHERE THE CEO DOESN'T ACTIVELY SUPPORT TALENT BUILDING ARE MORE LIKELY TO HAVE A CHRO WITH NO HR BACKGROUND

CEOs were more likely than HR business partners to support the talent agenda

IMPLICATIONS: To make the most of their CEO's support, Talent and HR leaders need to help their CEO hold their company's leaders accountable to build talent. Identify a talent metric the CEO cares about and get it integrated into the bonus calculation of all senior leaders.

2

WHEN THEY WORK, TALENT TEAMS MATTER

Although a surprisingly small percentage of talent management teams say they work well together (55%), when they do they influence the organization's ability to effectively build talent. Organizations that believe that their talent management team functions effectively rate their company's ability to produce talent higher than those that do not (35% vs. 11%).

EFFECTIVE TALENT TEAMS SEE BETTER HR SUPPORT

*COMPANIES WITH EFFECTIVE TALENT
TEAMS WERE MORE LIKELY TO HAVE
BUSINESS PARTNER SUPPORT (66%) THAN
THOSE WITH INEFFECTIVE TEAMS (31%)*

**THE HR LEADER'S FUNCTIONAL DEPTH
DOESN'T INFLUENCE THE TALENT TEAM'S
SUCCESS. TALENT TEAM EFFECTIVENESS
DIDN'T CHANGE BASED ON THE HR OR
TALENT LEADER'S HR EXPERIENCE**

IMPLICATIONS: When only a bare majority of companies say their talent team works well together, we should address this issue before any other. Identify the one, most powerful change that will improve your talent team's effectiveness and hold your talent management executive accountable to make this happen.

3

HR BUSINESS PARTNERS UNDERSCORE AND UNDERCUT THE TALENT AGENDA

As the key link between talent management specialists and the business, HR Business Partners (HRBP) are essential to the talent agenda's success. Our analysis shows that their support is one of the three largest contributors to a company's ability to grow great talent. It's especially troubling, therefore, that in only 53% of the companies surveyed were HRBP's seen to support the talent agenda.

IT ALL STARTS WITH THE CEO
WHEN THE CEO SUPPORTS TALENT BUILDING, 80% OF HRBP'S SUPPORT THE TALENT AGENDA. WHEN THERE'S NO CEO SUPPORT, ONLY 36% SUPPORT THE TALENT AGENDA

36% OF COMPANIES WHERE THE HRBP'S SUPPORT THE TALENT AGENDA RATE THEMSELVES AS EFFECTIVE AT BUILDING TALENT (JUST 3% OF COMPANIES WITHOUT HRBP SUPPORT SAY THAT)

IMPLICATIONS: HRBP's align their actions with the CEO's agenda not the talent team's agenda. Talent leaders should increase their executive influencing capabilities to ensure their CEO actively demonstrates support for the talent agenda and holds the organization accountable to execute it.



Take your organization to the next level.

T A L E N T M A N A G E M E N T I N S T I T U T E

JULY 28-31, 2014
NOVEMBER 17-20, 2014

One of the most pressing strategic issues facing CEOs today is whether they have the right talent with the right skills in the right places. UNC is partnering with three of the world's most experienced Talent Management Practitioners to help HR and Talent Management leaders productively and proactively steer their organizations' talent.

Join us for the Talent Management Institute and learn how to take your organization to the next level.

To learn more, visit www.tmi.uncexec.com.

- EARN 21 RECERTIFICATION HOURS
- MEETS THE HRCI STRATEGIC REQUIREMENTS FOR PHR®, SPHR® AND GPHR®



UNC
KENAN-FLAGLER
BUSINESS SCHOOL

UNC EXECUTIVE DEVELOPMENT
The Power of Experience.

FINDINGS

NO Talent Strategy Talent Philosophy

Talent Strategy: It might seem obvious that companies would create a talent management strategy before engaging in any other talent building activities. Our survey participants say that's not the case. Only 4 in 10 companies (41%) reported that they had a clear talent management strategy – a finding that didn't differ by company size or location. The CHRO's experience in HR had no effect on that finding. Companies whose CHROs had no HR background were just as likely (or unlikely) to have a talent strategy as those whose CHROs had more functional experience.

Talent Philosophy: A talent philosophy describes an executive team's commitment to how their company will manage talent. It's the foundation on which all talent management practices should sit (see ["What's Your Talent Philosophy?"](#)). Our research showed that 80% of companies were missing that foundation. As with talent strategy, this finding held across companies of all sizes and global locations.

PERCENTAGE OF COMPANIES WITH A TALENT PHILOSOPHY

39%

where the CEO supports talent building

0%

where the CEO doesn't support it

Companies with a talent strategy were more likely to say they could grow talent than those without one (32% to 14%).

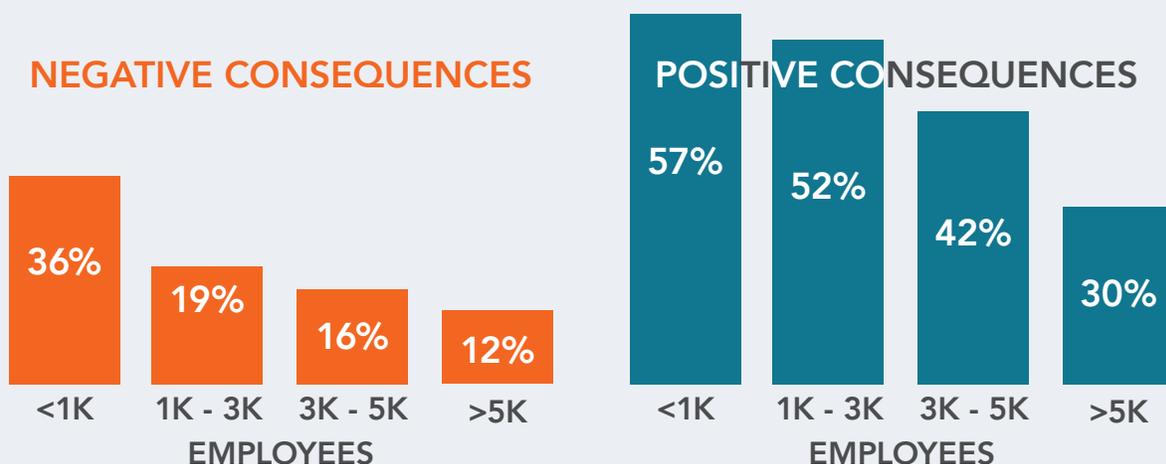
FINDINGS

ACCOUNTABILITY BARELY APPARENT IN MOST COMPANIES

Managers shouldn't worry if they don't develop their team members since it's unlikely their inaction will have any negative consequences. Only 16% of companies said there are consequences for managers who do not appropriately develop their team. That's a great statistic to show CEOs who wonder why their company's succession charts remain half-empty.

If you're more a fan of carrots than sticks, you'll be equally disappointed that just 41% of companies say there are positive consequences for managers who appropriately develop their team members. Accountability may be easier to enforce in smaller companies (to the chart below), or perhaps larger firms just don't care . . .

SMALLER COMPANIES ARE MORE LIKELY TO REWARD LEADERS WHO GROW THEIR TEAMS AND PUNISH THOSE WHO DON'T



FINDINGS

TRANSPARENCY

The statistics speak for themselves on this perennially debated topic. We asked whether companies were transparent with their leaders about their potential to advance in their company. This wording felt like a less threatening version of “Do you tell high potentials that they’re high potentials?” The results, however, were just as feeble with only 29% of companies willing to be honest with their leaders.

Companies with a talent philosophy are more likely to be transparent than those without one (50% vs. 20%). A company’s approach to transparency varies

little by company size and not at all by the CEO’s commitment to talent building.

PERCENTAGE OF COMPANIES THAT SAY THEY EFFECTIVELY BUILD TALENT

THOSE THAT ARE
TRANSPARENT
ABOUT POTENTIAL

45%

THOSE THAT ARE
NOT TRANSPARENT
ABOUT POTENTIAL

3%

AT 62% OF “TRANSPARENT” COMPANIES THERE WERE NEGATIVE CONSEQUENCES FOR NOT DEVELOPING TEAM MEMBERS. ONLY 16% OF NON-TRANSPARENT COMPANIES USED THIS TYPE OF ACCOUNTABILITY.

FINDINGS

HR TECHNOLOGY & METRICS

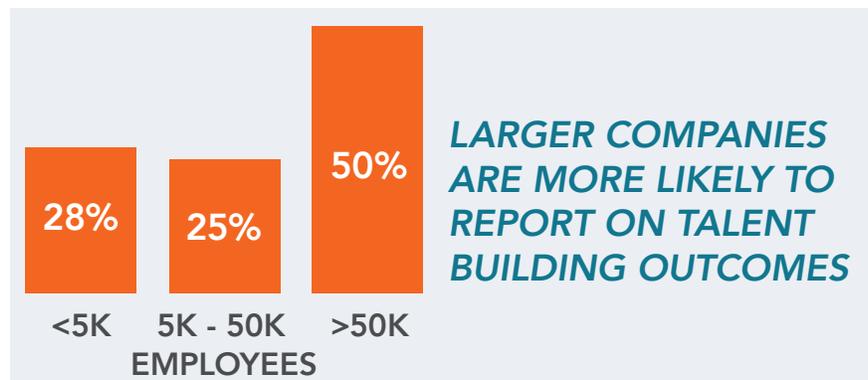
TECHNOLOGY NOT CONTRIBUTING TO MAKING BETTER TALENT DECISIONS; METRICS STILL RARE BUT LARGER COMPANIES HAVE AN ADVANTAGE

Technology: The lowest scoring item in our survey was “Our HR technology system(s) enables us to make better decisions about talent.” Only 19% of respondents agreed with that statement while 56% disagreed. Whether this is due to the state of technology or HR’s ability to use it will be clarified over the next few years. In either case, it suggests that the talk about HR analytics and the power of big data isn’t translating into the realities of day to day HR.

We might expect that large companies’ ability to invest in staff and technology would give them a competitive advantage in this area. However, large companies’ responses showed they found no more benefits in technology than their smaller brethren.

Metrics: What gets measured gets done, so it’s no surprise that the 30% of companies that say they “Regularly provide the organization with specific metrics about the results of our talent building activities” also say they are better at building talent. Metrics is also the only area where company size matters, as nearly twice

COMPANIES THAT PROVIDE METRICS ON THE RESULTS OF THEIR TALENT BUILDING ACTIVITIES



the number of large companies report providing these metrics to their organization.

EFFECTIVENESS

The ability to produce the talent our companies need remains elusive according to 72% of survey respondents. Just 28% agreed with the statement “My company is able to produce the talent it needs” and 44% disagreed. Our analytics (page 3 - 5) suggest that the most direct path to increase those numbers is to get your CEO, talent team and generalists to commonly support your talent management agenda.

Even if we don't believe that our companies can produce talent, we do believe that we're fooling our competitors about our ability in that area. Nearly seven in ten respondents (67%) agreed with the statement “My company's competitors believe our company is a source of high quality talent.” Just 9% disagreed with that statement.

WE ASKED “WHAT ONE THING WOULD MAKE YOU MORE EFFECTIVE IN YOUR ROLE” AND YOU SAID:

“More critical thinking skills on my TM team. Too many HR people are stuck in a ‘personnel department’ approach.”

“Less bureaucracy and process. Training to develop skills in areas I am lacking rather than in areas I currently have high-skills.”

“A Talent COE that rolled out a clear strategy around talent”

“To demonstrate the value of elevating the role of talent management - too much emphasis on ‘player’ in player/coach.”

“Better connections to key business leaders in terms of what they need and how I can help”

“More visible and active leadership on the part of the executive in talent management and leader development activities...”

FINDINGS

INFLUENCES

You're influenced most about talent management issues by expert research from the large strategy and HR consulting firms and little by meetings of HR organizations, magazines or blogs. These findings suggest that professional HR organizations have a huge opportunity to increase their impact by shifting their agenda from conferences and networking to providing bigger, better research and ideas to their members.

PLEASE RATE THE FOLLOWING ITEMS IN TERMS OF HOW MUCH THEY INFLUENCE YOUR THINKING ABOUT TALENT MANAGEMENT ISSUES (percentage responding "A Great Deal" or "Quite a Bit")

ITEM	%
Research on HR or Talent issues produced by large HR consulting firms	68%
Research on HR or Talent issues produced by large strategy consulting firms	64%
Books on HR or Talent topics	53%
National Conferences of an HR or Talent Organization	32%
Other HR or Talent Conferences	32%
HR or Talent Management Websites (Excluding Blogs)	27%
Local chapter meetings of an HR or Talent Organizations (i.e. SHRM, HRPS)	24%
HR or Talent Management Magazines	19%
HR Blogs	18%



FEEDBACK. Is that all you want from a 360?

Don't confuse feedback with development.

The typical 360 delivers a powerful blow but does little to develop leaders. That's why we created the OPTM360 – the developmental 360 from the authors of *One Page Talent Management*.

The OPTM360 accelerates development by identifying a leader's top three priorities for change and giving them specific, practical suggestions for improvement. In less than 10 minutes your leaders understand what needs to change and exactly how to change it. No pain, all gain.

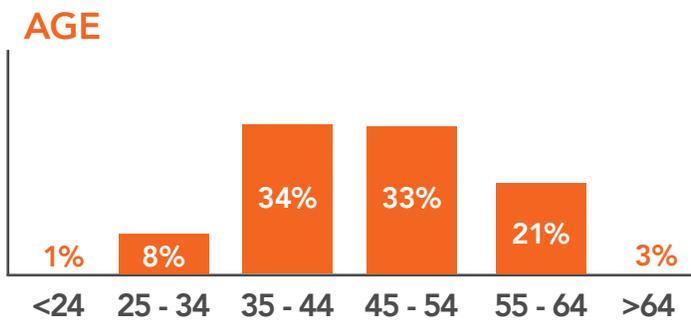
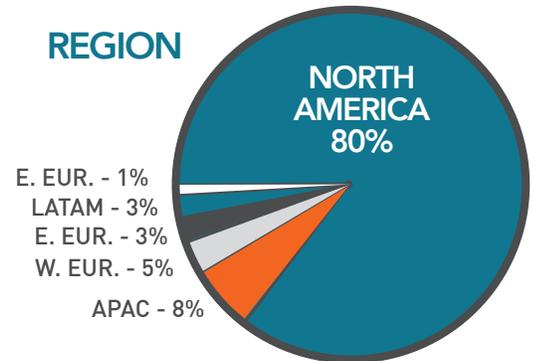
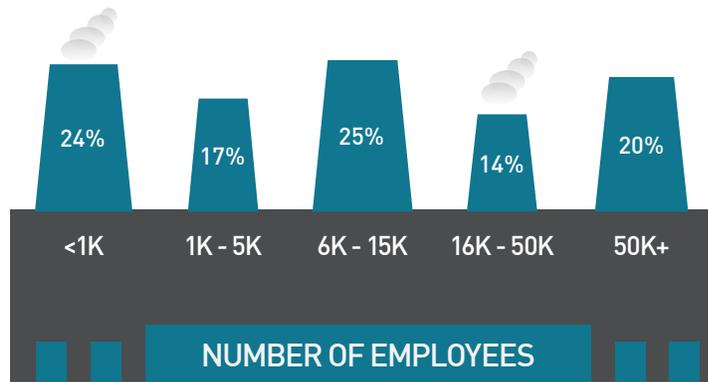


- ✓ Accelerates development
- ✓ Easy to customize
- ✓ Great user experience

Visit www.OPTM360.com to learn more

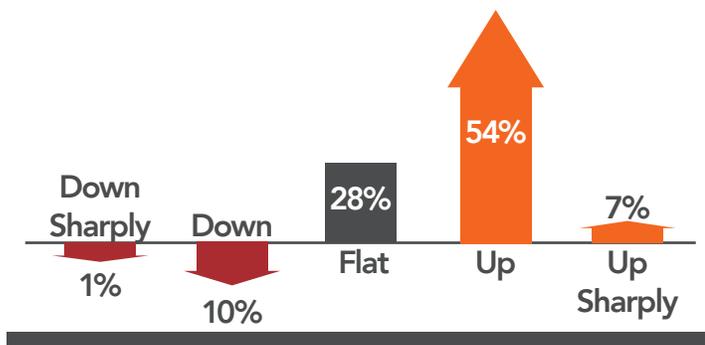
DEMOGRAPHICS

Our survey participants were a relatively diverse lot except for their individual performance, which was consistently above average. . .



MY FUNCTION IS...	%
Talent Management	67%
Business Partner	14%
Other HR	9%
Talent Acquisition	5%
Not HR	5%

COMPANY REVENUE TREND (PAST 3 YEARS)



MY MOST RECENT PERFORMANCE RATING WAS	Percentage
A RATING LOWER THAN MOST PEOPLE AT MY LEVEL RECEIVE	1%
THE SAME RATING MOST PEOPLE AT MY LEVEL RECEIVE	33%
A RATING HIGHER THAN MOST PEOPLE AT MY LEVEL RECEIVE	66%

OUR 2014 SURVEY

ADMINISTRATION

The survey was administered in January and February 2014 and was open to any organization interested in participating. We solicited participation by direct email to NTMN members, Linked-In notices and tweets. Surveys were anonymous to encourage the disclosure of sensitive information.

Any survey that did not include a company revenue figure, was missing a significant amount of information or otherwise appeared invalid was not included in the analysis. 237 companies participated in the 2014 survey.

ABOUT THE SURVEY

The 2014 ENABLERS AND BARRIERS SURVEY advances the New Talent Management Network's goal of conducting original research to benefit the talent management profession. Our goal is to track and report on the structure, practices, and organization of the talent management community worldwide. 2014 marks the fifth annual survey that we have conducted on behalf of our members.

Raw survey data is available for analysis by any qualified organization. No commercial use is allowed.