The future of talent management: more people, less process

Steven T. Hunt, Ph.D.

Click to follow my posts: www.linkedin.com/in/steventhunt

Every year there is talk about getting rid of talent management methods. Articles with titles like "kill your performance management process" or "why companies must eliminate pay for performance" point out what is wrong with existing methods but are often light on what to do instead. Rather than focusing on what's wrong with current processes, here are thoughts about how I expect talent management to evolve over the coming years.

Companies will always need talent management.

Talent management involves actions to place and retain people in job roles, focus them on the right things, ensure they do things in the right way, and provide development to perform current roles and transition to support future business needs. Every company has to do these things regardless of whether it has formal talent processes. The alternative to a defined talent management approach is what I call the "hire, pay and pray" strategy. It is a risky proposition to assume employees will do what you want them to do without having methods to guide, support and measure talent effectiveness. Such an informal approach might work in very small companies, but it is detrimental in large organizations.

Shifting from process control to outcome creation.

Many talent management techniques associated with recruiting, performance management, development, succession and compensation have roots in methods developed in the 20th century. Two things stand out when comparing 20th century methods to 21st century realities. First, workforce data that companies used to struggle to collect is now easily accessible. A big focus of talent management in the past was simply keeping track of employees. Technology has made it far easier collect and interpret the data needed to manage workforces. The "measure and control" part of talent management is still important, but it is no longer the primary focus of talent management design. The second big change is the pace of execution. Actions that used to take weeks and months can now be completed in hours and days as a result of automation. Far less effort is required to manage talent processes. This frees up time to focus on using these processes to support business goals.

The focus of talent management is steadily shifting away from managing processes to collect data used for control and towards initiating events and behaviors designed to create outcomes. Talent management once stressed data collection and process completion. Now it stresses actions that impact talent. Talent management used to focus on filling out forms and tracking numbers. Now it is about creating effective conversations, positive work experiences and accurate workforce decisions.

Assembling, adapting, producing, collaborating, including and complying.

If talent management is becoming less about processes and more about outcomes, then what are these outcomes? I believe future talent management initiatives will emphasize six different objectives: assembling, adapting, producing, collaborating, including and complying.

Assembling. This is about bringing together people with the right skills and capabilities to achieve business objectives. Recruiting is part of assembling talent, but so is job structuring, skills identification,

internal job transfers, contractors, team development, and career growth. Rather than thinking about assembling talent in terms of linear processes like staffing or succession, companies will draw talent from heterogeneous sources ranging from contractors to development of existing employees. How talent is assembled for different projects will shift fluidly based on changing talent supplies found within and outside companies.

Adapting. As the pace of change accelerates, talent management is increasingly about helping workforces adapt to changing requirements. This is a mixture of motivating, coaching, training, and supporting that blends together job design, goal management, performance management, learning, and compensation. It also includes creating cultures and methods to help people effectively cope with stresses caused by change and uncertainty.

Producing. Getting stuff done quickly and efficiently is critical for success in a highly competitive, fast changing world. Companies will focus on creating work experiences were employees know exactly what they need to do and why it matters and have easy access to tools and resources to get it done. This includes receiving ongoing guidance to ensure they are being as effective as possible. Talent management will increasingly focus on maximizing the effective use of people's time and skills at work. This includes identifying and automating tasks that are not a good use of people's unique capabilities.

Collaborating. People's adaptability and productivity is strongly influenced by the behaviors, knowledge, and skills of the people they work with. Talent management methods will increasingly focus on group dynamics and social connections that impact performance. This includes dealing with the reality that not everyone performs at the same level, and that employees cannot be successful in a team environment without the support of others. A particular challenge in this area will be helping team members whose contributions are valued to the point the team doesn't want to lose them, but that are not good enough for what the team needs. This is both a performance issue and a retention issue. The quality of team member performance heavily influences job satisfaction and retention, particularly for high performing employees who tend to have the greatest number of job options.

Including. The workforce is becoming increasingly diverse. This increased diversity combined with the growing skill shortages is making it critical to fully leverage all available talent regardless of demographic background. Talent management will emphasize use of equitable and inclusive methods to design jobs and hire, manage, develop and reward employees. The most important efforts in this area will center on changing how jobs are designed and staffed to accommodate the unique needs of employees with different abilities and work-life situations. We will see teams comprised of gender-diverse, neuro-diverse, age-diverse, ethnically-diverse, family-diverse, and geographically-diverse employees who all do the same type of work but who structure their jobs in radically different ways to reflect their particular needs and preferences.

Complying. I wish I could predict that the future will have less regulation, but I suspect regulations affecting talent management will only increase in complexity. Talent management professionals will be challenged to find ways to comply with regulations without negatively impacting workforce productivity and agility. This will require leveraging technology to ensure companies and employees are in compliance with relevant laws governing workforce management. But doing it in a way that minimizes the time employees have to spend on administrative, regulatory tasks.

Talent management design sessions usually involve some process mapping exercise. And most sessions are limited to one area of talent management such as staffing, succession or compensation. In the future, talent management design will start with clarifying the desired outcomes. Then work outward to create outcomes using integrated solutions that cut across traditional talent management silos. Talent management departments may even be redesigned around outcomes instead of functions. Instead of departments of staffing, compensation or learning, perhaps we will have departments of "talent assembly", "workforce adaptability" and "employee productivity." Because ultimately talent management is not about what processes do. It is about what people achieve.