

Discussion Guide

Global Talent and the Next Generation Workforce

June 17, 2008

Globalization, outsourcing, and technological progress started us down the path of a changing work environment. The cost of real estate and energy, baby-boomer retirements and a new generation of employees are further transforming the character of work today and shifting the nature of the employer-employee relationship. In many ways we are only at the beginning of this disruption. Yet some firms are already struggling to replace the retiring talent, at least in the “developed” world. The U.S. is educating engineers but they are increasingly not American. In addition, we no longer have a stable employment pattern like the one that once prevailed nor are we in the situation of relatively abundant talent that existed in the late 1990s / early 2000s. In this roundtable we will discuss these trends, as well as the best practices and challenges of talent management such as attracting and recruiting talent, retaining employees, educating and training people, getting employees where you need them in the world, etc. We will also address key issues related to the workforce today such as: (i) work/life boundaries and balance (or lack of same), (ii) retention of vital knowledge as employees retire, (iii) ownership and use of IP and communications devices (yours, mine and ours!), (iv) the generation gap between managers and “managed,” and (v) changing leadership and communications models. We have divided the day into four sessions, and provided some questions below to consider for each.

Session 1: *The Talent Landscape: Defining the Issues* (please come prepared to share the impact the global talent environment is having on your company and the three key challenges you face). This session will set the stage for the rest of the day. We will define and discuss the key issues that characterize the changing environment around talent management, what each firm around the table is facing and the general experience and approach of the people/companies in the room.

- How are global economic, business, social, and demographic trends affecting your firms approach to talent management?
- Is the projected loss of talent due to the retirement of the baby-boomer generation real? Will they really retire at 65 or keep on working? If the majority does retire around 65, how will this affect your business?
- How concerned are you about the changes that the ongoing entrance of the Millennial generation (Gen Y) into the workforce are likely to bring? How do you define the challenges and the opportunities this represents? Is your firm actively addressing this? How?
- What are the challenges for your firm associated with the increasing globalization of your firms and the globalization of the labor pool? What are the associated opportunities (for instance, the opportunity for a “follow-the-sun” strategy to leverage global talent in many ways)?
- Do you truly value employees with broad geographic experience? It seems as if firms often pay lip service to this but don’t really implement policies and practices that would support this.
- How are the work expectations of employees changing? To what degree and in what ways are you proactively addressing changes? How do you engage people? What are the levers you have to pull?
- How is technology, especially the internet, changing the global talent landscape?

Session 2: *Attracting the Right People into the Right Jobs* (please come prepared to share a key lesson you've learned about recruiting talent). In this session we will discuss what it takes to get the right people into the right jobs in the right place at the right time in today's environment.

- To what degree is it worth doing any kind of talent planning/forecasting and anticipating of needs in today's fast-changing environment? If it is worth doing, how far out does one look? Is it different for different types of human talent, especially IT or other technical talent? Is this different in different regions?
- What are the key changes you've made to recruiting to address the changing environment? How would describe where your firm is headed in its approach to attracting talent? How do you envision your approach will change between today and 5 years from now?
- Do you recruit worldwide for positions? For what level and/or types of positions? Do you move jobs to where the talent pools are? Where are the global talent pools for different types of jobs currently? How is this shifting? Is the willingness to move for a job changing in the U.S.? Europe? Asia?
- In today's environment, do you address talent needs mainly from within or do you hire mainly from outside the firm? What are the drivers and key success determinants to each approach? Is the same true for IT? Could non-traditional sources of IT management talent be helpful?
- What is the role of financial compensation in hiring today? A bigger or lesser factor than five years ago? What composes total comp and how tied to your culture is it? Is total comp viewed more multidimensionally? Are the expectations of a new generation changing this?
- Are there important ways to take advantage of Web 2.0 type technologies in recruiting? What are they? Do you use them for identifying potential hires (on business networks like LinkedIn) as well as for checking out their backgrounds?
- Do you cultivate and maintain relationships with universities and business schools? Are these an increasing or decreasing source of talent? What are the best practices associated with this?
- Is your approach to internal recruiting more of a "push" approach or more of a "pull" approach? What is required in today's environment? Have you considered or implemented a true internal "talent marketplace"?

Session 3: *Retaining, Developing, Rewarding and Managing Talent* (please come prepared to share at least one best practice your company has developed around retaining, developing, rewarding or managing talent). In this session we will discuss what it takes to develop and keep the right people in the right jobs in the right place given the challenges of different generations and regions of the world.

- What programs do you have to retain people you want?
- What are the keys to managing a truly global workforce? How do you get the right people in the right place at the right time?
- Is career management now entirely in the hands of employees? Is it a positive or a negative for corporations to actively stay involved in this? Is this increasingly true of development too?

- How do you address issues of employee work/life boundaries today? What are they? Do you plan to actively address them or is this an area that is left more to the individual?
- How do you address the different expectations that the Gen Y employees have in the areas of collaboration and social responsibility, for instance? To what degree and in what ways are you proactively addressing these differences? What are the levers you have to pull?
- How have your views on employee development/training changed in the last five years? How will they change in the next five years? Should training be an investment the firm makes or one the employee makes? Should there be more early-career development programs, especially for IT?
- How has succession planning changed? Do you do it more or less than ever?
- Do you find younger employees expecting higher levels of responsibility sooner? A “difference-making” assignment? If yes, how do you address that?
- What policies/processes do you have to ensure that you do not lose process knowledge, IP, etc. as baby-boomers retire? How do you address knowledge transfer and how does your approach to knowledge-sharing affect this? Do you try to retain older employees longer or part-time?
- Do you encourage movement between countries and regions? If so, for what types of employees? Is such movement rewarded? How?
- How do you maintain a fair and consistent set of talent management practices across regions given the cultural considerations involved? For instance, surely a performance review in Asia cannot have as much direct exchange and constructive criticism as a review in the U.S. has.
- How has the trend towards changing retirement plans (for instance, defined contributions vs. defined benefits, vesting, etc.) impacted retention and overall employee engagement?

Session 4: *Managing the Extended Workforce* (please come prepared to offer an example of how you are managing your extended workforce and discuss how your overall employee engagement approach is changing). Given the potential talent shortage and difficulties in retaining talent, we will discuss how companies engage their extended workforce, use partners, etc.

- Do you use partners to supplement your teams? How much and in what cases?
- What pluses and minuses exist to reaching beyond your employees to access talent?
- What decision criteria do you use to determine in-source/outsource or partnerships?
- Do you use different strategies for each region of the world?
- Do you make a conscious effort to build and develop talent in collaboration with a partner?
- How do you generate from your employees and the extended workforce the sense of employee engagement that you would want? (Wikipedia definition: “Employee engagement is a concept that is generally viewed as managing discretionary effort, that is, when employees have choices, they will act in a way that furthers their organization's interests. An engaged employee is a person who is fully involved in, and enthusiastic about, his or her work”).