

High-Impact Talent Management: The New Talent Management Maturity Model

A NEW VISION OF TALENT MANAGEMENT MATURITY

While many organizations have been focused on integrated talent management for years, the current rise of employee engagement, retention, and culture as organizational priorities is challenging traditional approaches to evolve. Our research identifies a new vision for talent management maturity; we find that a full 70 percent of organizations surveyed have low talent management maturity—and are missing out on the potential financial, business, and talent benefits of higher maturity. Our recent research involving 454 global organizations lays out a roadmap to next-generation talent management maturity.¹

A New Vision of Talent Management Maturity

Integration has been the goal of talent management for the last 5 to 10 years.² However, with many core talent management processes at a foundational level of integration, a focus on continued integration seems almost quaint. Instead, many HR leaders are now asking what can we stop doing, what should we start doing, and what should we do more of—to drive business impact?

Our research indicates that a new approach to talent management is key. While it certainly includes integration, it instead focuses on building critical talent capabilities at lower levels of maturity, and transitions to building a systemic and inclusive relationship with talent at the highest levels of maturity. This approach is outlined in our new Talent Management Maturity Model (see Figure 1).

Crossing the Chasm: Moving from Low to High Maturity

Our study found that the vast majority—70 percent—of respondent organizations are at low levels of maturity. This means that they are either focused on essential talent activities or critical talent growth (Levels 1 and 2). The most mature organizations surveyed instead have a different focus.

Level 3: Managed Talent Relationships—19 Percent of Surveyed Organizations

Those at Level 3 have a relatively clear, data-based talent strategy, as well as a leadership strategy and associated development opportunities that are well-aligned to the organization's strategic objectives and are also effectively integrated with other talent management practices. Having mastered many of these critical talent processes, Level 3 organizations typically begin to set their sights on developing a systemic relationship with talent³, with a goal of increasing talent engagement, productivity, and retention.

To do this, these organizations may need to shift their mindset from one of “employees as a cost” to one that sees “talent as an asset” which can be grown and with whom the organization has an ongoing relationship. This means that these organizations should:

1. Put in place processes designed to enhance leaders' understanding of their employees from both a quantitative and qualitative perspective
2. Develop talent processes that allow their organization to act on the greater insight
3. Provide resources and opportunities to employees that enable them to develop a “conversation” with the organization

¹ *High-Impact Talent Management: The New Talent Management Maturity Model and High-Impact Talent Management: Maturity Model Benchmarks*, Bersin by Deloitte / Stacia Sherman Garr, Candace Atamanik, and David Mallon, 2015.

² *Talent Management Systems 2014: Market Analysis, Trends, and Provider Profiles*, Bersin by Deloitte / Katherine Jones, Ph.D., and Wendy Wang-Audia, 2014.

³ A “systemic relationship with talent” is an approach to talent management which emphasizes talent as a strategic asset that requires an investment in the relationship to enable it to perform at its best.

Figure 1: New Talent Management Maturity Model



Source: Bersin by Deloitte, 2015.

The greater understanding of employees often yields an increased focus on employees from a diversity and inclusion perspective—an area upon which Level 4 organizations then build.

Level 4: Inclusive Talent System—10 Percent of Surveyed Organizations

The most mature organizations have a clear, targeted, and communicated talent strategy—and have designed their entire talent system to reinforce that strategy. As a result of this intimate knowledge and the deliberate design of their talent system, leaders at these organizations tend to have a strong sense of which practices their particular organization needs and those that they may be able to step away from—we call this concept “talent wisdom.” Generally speaking, though, these organizations have advanced, targeted, and integrated talent activities that heavily reinforce the importance of leader growth and a widespread learning culture.

The final and perhaps greatest differentiation of these organizations is their approach to diversity and inclusion. In addition to simply indicating to employees that their diversity is welcomed, these organizations build both high-level strategies (e.g., aligning diversity and inclusion strategy to organizational objectives) and broad-based talent management practices (e.g., integration between diversity and inclusion, and learning and performance management), which help to reinforce the importance of bringing in people of diverse backgrounds and behaving in inclusive ways. These organizations strive to create a “conversation” or relationship with employees, which communicates to them that they are fully understood and valued by the organization, and

encourages employees to contribute their whole range of experiences and perspectives.

Our research demonstrates that the journey to a mature talent management organization may be tough, but it can pay off in terms of better financial, talent, and business outcomes.

Our Research

WhatWorks members select from more than 1,700 research-based resources, including more than 300 research bulletins on the latest trends, 200 case studies, and more than 90 in-depth industry studies comparing solution providers and identifying leading practices in technology assessment, selection, and implementation.

We look forward to helping you to make sense of the dynamic and complex technology environment through our WhatWorks membership and system.

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