Aligning your Talent Strategy to your Business Strategy
“Leaders who are skeptical about making substantial and continued investments in their people have already lost the war for talent.”

“Building a Game-Changing Strategy” February 2014
# Priorities

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<th>Your Focus</th>
<th>Your Success Depends on</th>
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<td>Strategy Execution</td>
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<td>Growth/Profitability</td>
<td>Staying Competitive</td>
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<td>Governance</td>
<td>YOUR PEOPLE</td>
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*Short Track CEO*, Edmundson, Sagar, Setchell, 2010
Do you know the answer to these questions?

1. Can we achieve our business goals with our current staff and capabilities?

2. Are we retaining top talent?

3. Is our existing talent base ready to become our next generation of leaders?

4. Is our investment in learning and development paying off?

Your board might be asking the same questions...

PWC Global CEO Survey 2014: Developing Tomorrow’s Workforce
Corporate Executive Board: 2013 Three Critical Talent Conversations for Every Board of Directors
Current Market Reality

Talent is the #1 Constraint to Growth

70% of the workforce not achieving their full potential

Voluntary turnover is on the rise – especially high performers

1 Gartner CEO and Senior Executive Survey 2014  
2 Gallup 2013  
3 PwC Saratoga 2012/13 US Human Capital Effectiveness Report
Current Market Reality

79% of executives believe lack of frontline leadership capability negatively impacts company performance.⁴

64% of employees don’t understand their organization’s goals.⁵

⁵ Corporate Executive Board
Why Invest in Talent Management?
Organizations with...

- fully integrated talent management processes and systems have **29%** higher employee engagement scores
- high employee engagement demonstrate **19%** increase in operating income vs. a **34%** decrease with disengaged employees

Why Invest in Talent Management?

Organizations with...

- fully integrated talent management processes and systems have **41%** higher scores in creating a pipeline of viable successors
- learning focused cultures are **92%** more likely to innovate than those without
- employees revising or reviewing their goals frequently are **64%** more likely to be effective at holding costs at or below level of competitors

Your Talent Management Dilemma

Vast majority of CEOs acknowledge need to change their talent strategies

93%

Yet only 33% have acted on their plans

33%

PWC Global CEO Survey 2014: Developing Tomorrow’s Workforce
So What’s the Problem?

Why Are Your Peers Not Executing on their Talent Plans?

Change is not easy with manual processes

Talent Management processes are time intensive

Manual efforts won’t yield the insight needed to answer those questions

Yet employees are probably your biggest operating expense

So consider this...

Does your CFO run your entire finance system on a spreadsheet?

Does your sales team use email and paper files instead of a CRM?

Will paper help your HR team maximize the performance, engagement and productivity of your most important asset?
Effective Talent Management Change Requires

- Aligning Talent Strategy to Business Strategy
- Executive Support from the Business
- Integrated Online Talent Management systems
## Aligning Talent Strategy to Business Strategy

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<th>Business Issue</th>
<th>Talent Issue</th>
<th>Solution</th>
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<td>Global Market Expansion</td>
<td>Global Staffing Gap</td>
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<td>Respond to New Regulation</td>
<td>New Skills Needed</td>
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<td>Competitive Threats</td>
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<td>Rapid Growth</td>
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<td>Respond to Changing Market</td>
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<td>Financial Pressures</td>
<td>Controlling Costs</td>
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Aligning Talent Strategy to Business Strategy
Culture, Values and Competencies to Support Business Strategy

Core Competencies embody your organization’s culture and values
Are required for success or leadership in your industry
Support your organization’s strategic goals
Set your organization apart from the competition
Executive Support for Talent Management Practices: A Historic Problem

Top Five Performance Management Challenges

- Managers lack the skills to coach their employees (manager skill)
- Executives think the performance appraisal process is too time-consuming (executives)
- Executives do not promote the performance management process (executives)
- Executives do not understand the link between PM and organizational capability (executives)
- Executives do not model PM activities (executives)

Executive Support for Talent Management Practices: Senior Leader Engagement Matters

Setting the tone for how performance management is executed across the organization.

**81%** of organizations with very frequent executive engagement with performance management have strong business results.

**77%** of organizations with senior leaders who hold direct reports accountable for performance management have above-average business results.

Bersin by Deloitte.
Integrated Online Talent Management Systems: The Payoff

Organizations with the most mature, integrated Talent Management processes achieve superior results

- 26% higher revenue per employee
- 40% lower turnover among high performers
- 17% lower overall voluntary turnover

Integrated Online Talent Management Systems: The Payoff

Organizations with the most mature, integrated Talent Management processes achieve superior results

87% greater ability to “hire the best people”

156% greater ability to “develop great leaders”

Talent Management at Most Companies: Siloed, Inefficient & Ineffective
One System to Align Your Business and Talent Strategy, Answer your Talent Questions **AND** Drive Performance
“The services we offer require extremely specialized skills. We need to attract and retain top talent in the long term, and ensure our employees have a clear understanding of how their work supports our overall organizational goals. With Halogen, day-to-day activities are closely aligned with our mission, which has helped improve employee engagement, and most importantly, the quality of care and services we deliver to our patients and families.”

- Helene M. Cross, CEO
“In our industry the biggest challenge is attracting and keeping the right people. **With Halogen**, our ability to assess performance and identify learning requirements is helping to keep us at the competitive forefront. We can more easily identify our top talent, and these performance and development insights help with retention efforts.”

- Khaled Faraj Al-Saeid
  GM, Managing Director
CEO Success with Halogen

“Everyone plays a role in delivering against our strategic plan - achieved through our rigorous approach to talent management. We are a results oriented culture and we get that through tracking not only what gets done but how it gets done - built into our competency definitions with Halogen and in the way our managers work to help employees improve performance. The Halogen solution helps us track individual deliverables and ensures they’re aligned to our strategic plans.”

- Dave McAnerney, CEO
Executive Support in Action

“BAF executives understand the importance of talent management as a key tool for developing future leaders. This consensus at the top of our organization helped drive our Halogen implementation. Our CEO made talent management training mandatory so that everyone was well prepared for the new system and excited about the new approach to talent management.”

- Melanie Rydalch, HR Director
Integrated Talent Management
Insights that Drive Performance

“We’ve created a corporate culture focused on learning, development and sustained high performance with support from Halogen solutions. A high performance emphasis that enables our bank to deliver innovative services and products to our clients.”

- Ron Black, CEO
Integrated Talent Management
Insights that Drive Talent Decisions

“The HR team, managers and executive team have valuable insights that enable them to make better decisions about talent and ensure the company is best able to compete in a tight market.”

- Jeff Power, VP Human Resources
Integrated Talent Management
Insights that Drive Talent Decisions

“Our senior management wants to make sure that our high potentials are recognized and that as an organization we are paying extra attention to the people we should be. Having a sense of confidence in the information they are using to make business decisions provides FuelCell Energy with a competitive advantage.”

- Sandi Mauro, HR Manager
Why Halogen?

“What is unique and different about Halogen is the way the whole system fits together as an integrated whole. Since Halogen has built all of this functionality internally, each module has been designed around specific customer needs. And every module ties back to employee performance.”

- Josh Bersin

Bersin by Deloitte.
The Highest Customer Satisfaction Ratings in the Industry

“Halogen ranked highest of all participating vendors in overall experience throughout the customer life cycle, as well as in overall product satisfaction.”

Gartner Magic Quadrant for Talent Management Suites, 2014

“Halogen continues as a leader in customer service and support...customers view Halogen as a partner”


“Halogen garnered the highest scores in customer service and cost-effectiveness from its clients.”

IDC 2012, MarketScape Worldwide Integrated Talent Management Vendor Analysis

“A clear leader in every customer satisfaction area measured by – product quality, implementation, service and business partnership.”

“Talent Management is a **business process, not an HR process**… It’s the intersection of people with business, technology, and organizational strategy.”

- Josh Bersin, May 2014
Build a World-Class Workforce

Align and Engage

Deliver Better Results

Sustain Competitive Advantage