

The Chief Talent Officer: Conquering The War On Talent

IIC Partners' Human Resources Practice examines the future war for talent and the unprecedented challenges arising for the Chief Talent Officer (CTO). As the next generation of leaders ascends into the C-suite, companies must adopt new approaches to work, relationships and management. Organisations need Chief Talent Officers to rethink the talent lifecycle through transparency, diversity and culture to attract and retain a new generation of highly mobile leaders.

As the war for talent continues to forge onward, designing and implementing a robust talent strategy has become critical for companies to succeed and compete. Organisations are strengthening their internal talent management capabilities under the stewardship of the Chief Talent Officer. In a recent study conducted by Pearson Partners International in Dallas, 60% of survey respondents said they did not have a Chief Talent Officer (CTO) in place and cited the following as the top three human capital challenges they face:

- ◆ Supply of Available Talent
- ◆ Lack Of Skills
- ◆ Attracting Talent

The role of the Chief Talent Officer is divorced from the traditional Human Resources and Chief Human Resources Officer role, serving as a strategic partner to the CEO and C-Suite for developing talent. A Chief Talent Officer's responsibilities focus on every aspect of the talent lifecycle including managing procurement teams, professional development, engagement, retention, acquisition, succession planning, onboarding, aligning hiring strategies and more.

However, evolving talent landscapes, the rise of remote workforces and technological advances are disrupting the traditional approaches to talent management. The relationship between employer and employee has drastically shifted and this is creating unprecedented challenges for the Chief Talent Officer. Lisa Thompson, Vice President of [Pearson Partners International](#) in Dallas, has seen many companies struggling with this new reality. "Skill sets are changing rapidly as we continue to evolve from an industrial to an information society. Technology and connectivity has enabled workforces to leave the office space in droves, a challenge that past CTOs have not faced to the same magnitude. Chief Talent Officers are not only challenged with implementing leadership training programs to train and retain a highly mobile generation of workers, but tailor programs suited for the remote and digitally driven way they work," Thompson said.

In recent years, many senior employees who were eligible for retirement have remained at work until economic markets improve. As a result, talent stagnation has blocked new leaders from acquiring the necessary leadership skills to move into a more senior management level role. In addition, many organisations have not focused on the professional development of their future workforce. As the Baby-boomer generation begins to retire and step away from the workplace, the next level of talent may not be prepared to step up. Chief Talent Officers must navigate these challenges by spearheading programs aimed at developing the next generations of leaders.



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Top 3 Human Capital Challenges Organisations are facing:

- Supply of Available Talent
- Lack Of Skills
- Attracting Talent

Transparency and Communication

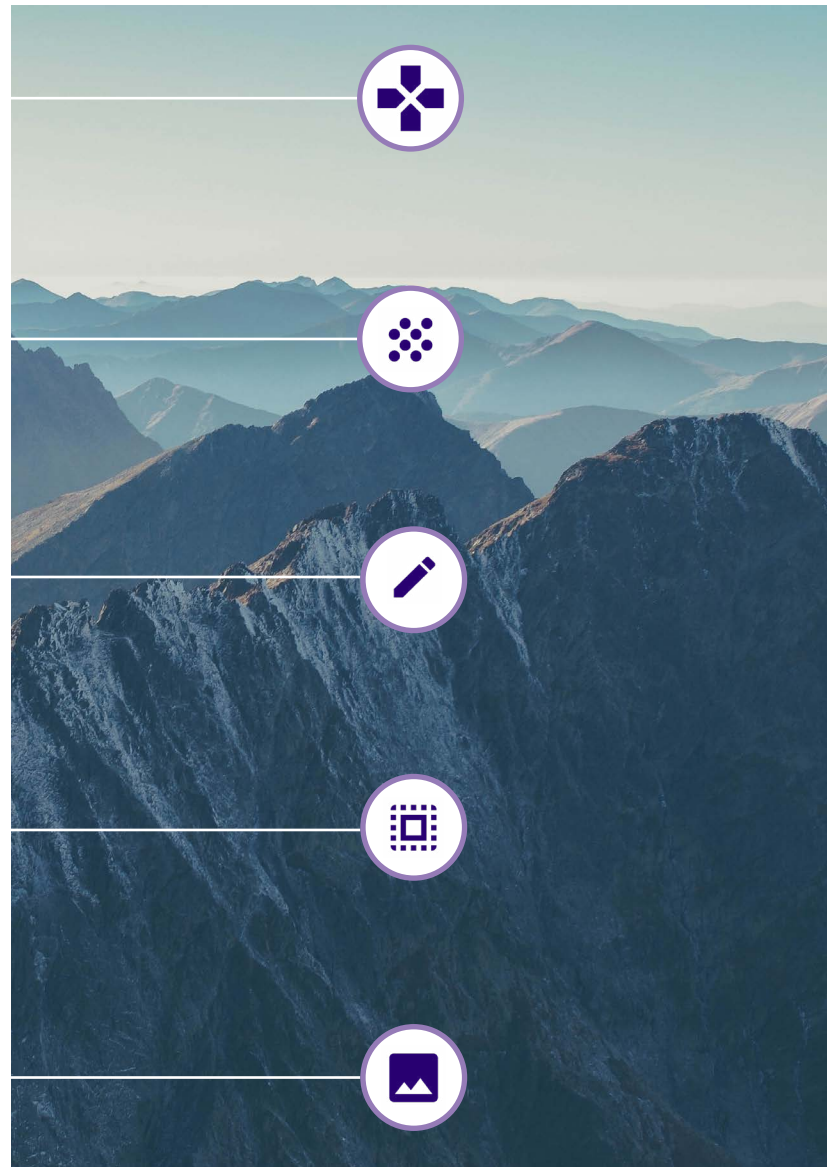
Chief Talent Officers are managing this crisis in several ways. To better manage this leadership skills gap, Chief Talent Officers must communicate consistently with internal talent pools and embrace transparency. Nairouz Bader, CEO of [Envision Partnership](#) in Dubai, is seeing a shift towards prioritizing transparency and communication to foster professional development. “For tomorrow’s leaders to remain engaged and aligned with the company’s goals, they must see how they are personally impacting the organisation. This all starts with an open and transparent culture, where everyone is comfortable and encouraged to share thoughts, issues and ideas. The Chief Talent Officer needs to champion education and development programs by creating their own corporate universities or rotational programs that add to their Employment Value Proposition (EVP),” Bader said. New approaches to talent development may require organisations to change their mindset and culture by incorporating new initiatives that address the following:

- Balance achievement with the importance of relationship building and collaboration. Establish greater equality for performance management to ensure that both “hard skills” (delivery) and “soft skills” (relationship management) are given greater parity.
- Encourage leaders to lead in their own style and create ‘micro-climates’ within their own teams to better suit the collective needs of the whole team and the type of work they do.
- Provide leaders with broad development opportunities. This includes leadership development training but also education on business trends about globalization, innovative approaches taken to address business challenges in competitor organisations, understanding business structures, brand strategy and leading a diverse workforce.
- Greater access to technology driven development initiatives that they can access on a ‘real-time’ basis.
- Offer experiences to demonstrate commitment. Companies with multiple office locations can offer younger executives the opportunity to move from one office to another affording them to experience a new city, part of the business and new teams.

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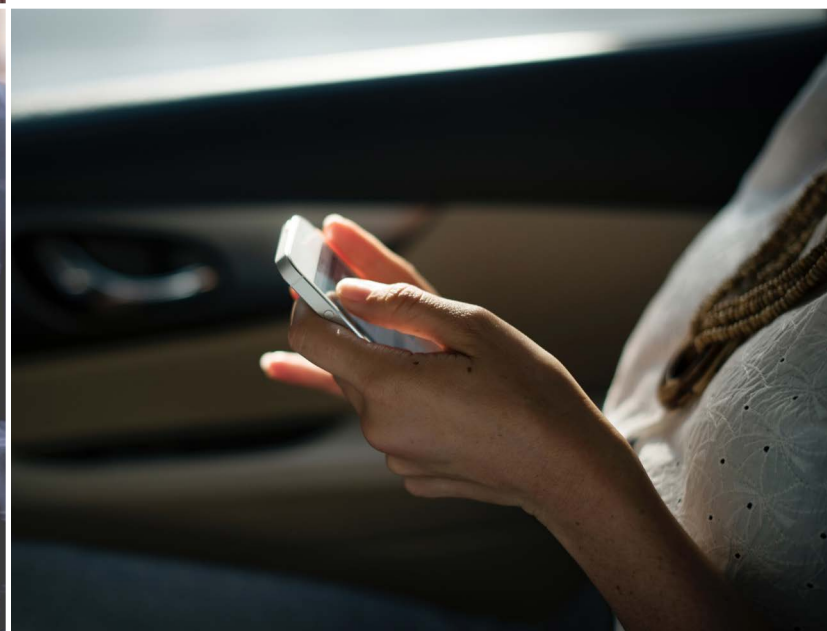
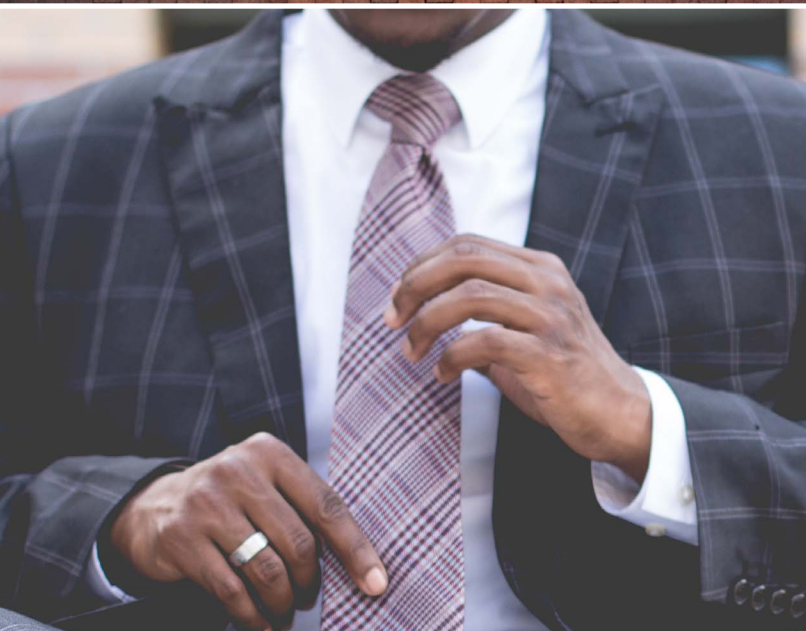


Embracing A New Generation Of Leadership Style

The Chief Talent Officer should ensure there are clear career paths to succession for employees and that development opportunities are well marketed and accessible. This provides emerging leaders with the accountability to actively manage career aspirations in partnership with their line management. The next generation of leaders is interested in learning new things, doing meaningful work and having flexibility, all of which impact their leadership style.

Sally Talbot, Human Resources Practice Leader of [Per Ardua Associates](#) in London, has seen the effective implementation of these programs deliver results for organisations. “New leaders take their role as leader very seriously and do not simply see it as an ‘Add On’ to their existing role - but as a key responsibility of its own.

With this new responsibility, comes a desire to learn and lead effectively, so that direct reports feel fulfilled by their work and the climate in which they work. As a result, emerging leaders want to accommodate the ‘whole person’, encouraging remote and agile working, and merging the world of work with other life commitments. This is a departure from the traditional ‘Management’ of people towards the natural empowerment of others and enabling people to work in their own way, within defined parameters naturally,” Talbot said. The professional development of the next generation of leaders is critical to a company’s succession plan. However, in addition to investing in these development initiatives, Chief Talent Officers are charged with identifying new methods and tools for retaining these key leaders.



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Competing For Talent In A Hyper-Competitive Market

In today's VUCA environment, demand for skilled leaders continues to increase while the supply of eligible candidates shrinks. Compensation, titles and benefits are all easily matched by competitor organisations, and companies are facing great difficulty when trying to compete for and secure talent. As a result, the Chief Talent Officer must identify alternative solutions for attracting and retaining key talent beyond the typical compensation and benefits packages. Mirko Petrelli, Partner of [Stones International](#) located in Hong Kong, has seen more Chief Talent Officers leveraging company culture as a critical tool for retaining and attracting these rising leaders. "Culture is much more complex to grasp and reproduce. A strong working culture is the most difficult element to replicate from one company to the next, and is a key driver that makes people stay or leave a company. Therefore, companies must work to build distinct and engaging cultures and use this as a competitive advantage," Petrelli said. Company culture is shaped by several key factors including a strong Employee Value Proposition (EVP), diversity and inclusion.

The Strength of The Employee Value Proposition (EVP)

When attracting strong leaders, Talent Acquisition departments are not only selling a role to a potential candidate but also the organisation as a great place to work. Chief Talent Officers are responsible for laying the foundations of the EVP and assuring these promises are met even after the hiring and onboarding processes are completed. Chief Talent Officers must view the EVP as always evolving and adapt it accordingly as organisational preferences and workforce values change over time. Sally Stetson, Co-Founder & Principal of [Salveson Stetson Group](#) in Philadelphia, explains that the EVP must be flexible and is not a one size fits all solution. "While some employees value a more flexible working schedule, others will place a stronger emphasis on a nurturing working environment that allows them to learn from others. Some groups will want to be challenged with more stretch assignments while others may cite vertical mobility as a key motivator," Stetson said.

The EVP is a conceptual overarching umbrella that enables these values and aspirations for each unique micro-culture within a company. If channeled correctly, the EVP will ensure the employer brand matches the employee experience. Chief Talent Officers can analyze the integrity and effectiveness of the EVP through employee surveys, reviews and performance metrics. Using this information, Chief Talent Officers can deploy new talent strategies, tailor development programs and benefits specific to certain segments within the workforce population.

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Leveraging Culture As A Retention Strategy

- Create Diverse & Inclusive Workplaces
- Enable micro-cultures through the EVP
- Ensure EVP matches employee experience

Integrating Diversity & Inclusion Into The Talent Strategy

In addition to the EVP, Chief Talent Officers are focusing more on the intrinsic value of a diverse and inclusive workplace. Chief Talent Officers must evaluate leadership gaps across the organisation and integrate new processes for promoting diversity. Some companies tie diversity and inclusion programs to overall performance, while others focus on creating an inclusive environment where employees feel comfortable sharing differing opinions. Barbara Stahley, Managing Director of [The Ellig Group](#) in New York City, is seeing many Chief Talent Officers implement diversity and inclusion as a key element to their employer brand. “Inclusion has been part of our firm’s DNA for many years, and we are often called upon by clients for precisely this reason. In the course of my day-to-day conversations with Chief Talent Officers, I have seen an increase in their desire to create a world-class, inclusive workforce. A workforce that reflects an organisation’s diverse customer base, and the world at large, is not only the right thing to do, but also a sustainable best practice. Strong Chief Talent Officers recognize that diversity and inclusive cultures are key to fully leveraging and retaining their best assets – their people,” Stahley commented.

Diversity is a critical focus for many companies, and new interpretations of diversity are changing the talent landscape. There are broader activities outside the standard definition of ‘Diversity’ that can be employed, depending on the organisation’s brand and culture. Sally Talbot is seeing the definition of “Diversity” broaden beyond personal attributes such as gender, race and sexual orientation to include a myriad of socio-economic factors. “Chief Talent Officers should consider developing programs to recruit university graduates with non-privileged backgrounds, adopt a more positive approach to hiring prior offenders and can specifically target armed service veterans. Depending on the sector and the business model, broader definitions of diversity can become a source of competitive advantage. I anticipate the ‘Inclusion’ aspect of the diversity trend to increase in importance in future years and bring an even more socio-diverse element to the workforce,” Talbot said.

Strategic Chief Talent Officers recognize diversity will better their business and serve as a competitive advantage when attracting and retaining talent. Young leaders greatly value diversity in many aspects of their lives, including the workplace. Emerging leaders are attracted to companies that align with their own personal values and responsibilities to society. These rising leaders see diversity and inclusion as an imperative. A diverse and inclusive workplace speaks to the employment brand and employee experience and Chief Talent Officers must work to align with these values to attract and retain emerging leaders.

The talent market is undergoing a drastic transformation, and a sustainable strategy for the future may require the dismantling of human resources models of the past. Key internal struggles for the Chief Talent Officer are likely to be structural and political. Many organisations struggle with ‘silo-ism,’ however, the value of the Chief Talent Officer is unlocked through collaboration. Organisations will need to facilitate communication and partnership amongst senior leadership teams and the Chief Talent Officer. This will enable the Chief Talent Officer to effectively grow and nurture a company’s most valuable asset – its human capital.

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HR executives are now at the forefront of organisations as crucial advisors to boards, CEOs and executive teams due to rapid changes as a result of globalization, organisational shifts and increasing complexity of HR roles due to new regulations. Companies today realize that executive talent acquisition and management, compensation and benefits, leadership development, C-level succession planning, organisational development, diversity and inclusion, and innovation are all part of the HR function now.

- Human Resources Management
- Talent Acquisition and Retention
- Compensation and Benefits
- Diversity & Inclusion
- Training & Organisational Development

HUMAN RESOURCES GLOBAL REACH



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