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ASTD Guides Industry Understanding of Talent Management

Recent research study and whitepaper offer critical insights and recommendations for today's economic climate.

FACT SHEET

Successful talent management calls for a high level of integration of all the functions and processes that contribute to putting the right people with the right skills in the right jobs at the right time.

What is “talent management?”

ASTD research revealed there is no consensus on a definition of talent management, but most agree on the basic parameters of what it includes. To that end ASTD created the following definition, which when presented to survey respondents, was positively received with 83% agreeing to a high or very high extent. The definition reads:

Talent management is a holistic approach to optimizing human capital, which enables an organization to drive short- and long-term results by building culture, engagement, capability, and capacity through integrated talent acquisition, development and deployment processes that are aligned to business goals.

“Talent” can mean different things to different organizations.

Talented employees serve as the passport to successful execution of strategy, but ASTD research indicates most organizations said talent management was directed toward senior managers, high-potential employees or “pivotal” talent (“pivotal” being defined as those in positions crucial to organization success). Only 18 percent of respondents said talent management was focused on all employees.

The data highlight two potential and contradictory dangers: if talent management becomes an initiative that concentrates solely on those who are deemed “talent”, it could be regarded as an “elitist” initiative, and therefore a divisive force. However, if talent management is applicable to everyone it’s just another name for human resource management. Therefore, there is some advantage to focusing on key “talent” but focusing solely on senior executives and high potentials is probably a mistake.

What comprises talent management?

The goal of talent management is to support human capability for the organization as a whole so that at any time or under any economic conditions, employees are capable of peak performance.

ASTD identified 20 different elements that comprise talent management. Most common components include: acquisition of employees, career planning, assessment, succession planning, organization development, performance management, team and individual development, and retention.

What drives talent management efforts?

Research shows four leading drivers of talent management efforts: executing strategies, retaining talent, providing customer service, and innovating and changing. Among polled organizations, 64 percent say performance management is the leading focus of talent management to a high or very high degree. However the vast majority of respondents also said their companies need to improve their talent management approach.

What business skills are needed for an effective talent management leader?

There is a wide range of knowledge about human capital development required to successfully integrate talent management processes. New approaches require broad thinking about the talent requirements of the organization and how to meet them in rapidly changing circumstances.

Research identified key business skills necessary for a successful leader of talent management: analyzing needs and proposing solutions; applying business acumen; building trust; communicating effectively; driving results; influencing stakeholders; leveraging diversity; modeling personal development; networking and partnering; planning and implementing assignments; thinking strategically about human capital.

What are the stumbling blocks to successful talent management?

Stumbling blocks to successful talent management include: organizational cultures that don't support talent management; lack of leadership support for initiatives; organizational policies and procedures that don't align with objectives; inability to engage workers and a failure to integrate the components.

Integrated talent management is a new application with no consensus on who "talent" is or who should manage the talent management function. While companies are beginning to put more emphasis on talent management programs, data indicate most have not mastered putting structures in place to support the programs.

- Only 34 percent say their organizations retain the talent needed to achieve business goals to a high or very high degree. Less than 34 percent say they attract talent effectively to a high or very high degree.
- Only 32 percent agreed they have processes designed to align talent management and business goals to a high or very high degree.
- Fewer than one third say they do succession planning, have policies and processes in place to support talent management, structure the physical layout of firms to support talent management, dedicate sufficient funds to support talent initiatives, or have the technological capabilities to support talent management to a high or very high degree.

All of the above, according to ASTD research, are significantly correlated with more effective talent management.

Based on the research, what does ASTD recommend?

ASTD recommends the following action plan to identify, address, and take charge of talent management: Understand the organization's key strategies and key metrics; determine and prioritize the human capabilities needed to support key strategies and key metrics; define talent management

throughout the life cycle of employees from recruitment to retirement and identify the key processes that comprise talent management for your organization; create an integrated model for managing talent across the whole organization; align all the relevant systems and processes; enlist key stakeholders in implementing an action plan; measure results and communicate their impact.

To address shortcomings, organizations should engage in earlier outreach to job candidates, improve efforts to maintain contact with organizational “alumni”, and more effectively use metrics such as quality-of-hiring.

To integrate talent management components more effectively: focus talent management neither too narrowly nor too broadly and create programs to support it; make executive teams (not single leader) responsible for talent management; ensure leaders see talent management as vital; continuously improve talent management programs; use technology to help but don't expect it to solve issues; measure talent management; and align talent management to business goals.

To read the research study *Talent Management: Practices and Opportunities* or the whitepaper *The New Face of Talent Management* go to www.astd.org . To schedule an interview with ASTD please call 703-683-8192.

About ASTD

ASTD (American Society for Training & Development) is the world's largest association dedicated to workplace learning and performance professionals. ASTD's members come from more than 100 countries and connect locally in more than 130 U.S. chapters and with more than 30 international partners. Members work in thousands of organizations of all sizes, in government, as independent consultants, and suppliers.

ASTD started in 1943. In recent years, ASTD has widened the profession's focus to link learning and performance to individual and organizational results, and is a sought-after voice on critical public policy issues. For more information, visit www.astd.org.

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