

Rebuilding talent strategy

YOUR GUIDE TO FINDING AND RETAINING
PEOPLE IN A CHANGING WORLD



Contents

Introduction	3
Facing reality	4
Retention isn't sticking around But that isn't a bad thing	
The 4 pillars of a new approach to talent strategy	6
Make talent development a core part of your business Commit to careers – play the long game Engage in the employee Rethink how you think of jobs	
How do we get there	9
So how do we get there? Case study – Cisco Cisco's four pillars for an Inclusive Future	
Ready to learn more	12

Introduction

We're entering a new era of work...

The period we're living through now will see a fundamental transformation in how people manage their careers. And in how organizations manage their talent.

There's a common refrain among many HR and business leaders when it comes to talent: "I can't find good people – and when I do, they quit!"

It's true that talent is harder to come by than ever – it's a trend that's been accelerating for a long time, and it's not going to get any easier. But that isn't just because it's hard. It's because many of us are taking an approach that simply doesn't work anymore – if it ever did to begin with.

Companies – and by extension HR – have always prized loyalty and longevity as the gold standard of employee success. Most of the rewards and incentives we give our people are built around tenure and retention – from promotions and raises to pension contributions and perks. But retention is falling all the time – and talent strategies aren't furthering strategic business goals.

In this white paper, we're going to do something different. We're not going to show you how to boost retention.

Instead, we're going to show you how you can take a step back from the challenges of the present and create a strategy that will help you survive and thrive in a talent market that's evolving for the better – for everyone.



Facing reality

Retention isn't sticking around

Retention is becoming increasingly difficult because employees are increasingly mobile.

Among the 50-65 age group, the average tenure per company is around 10 years. For those 25-35, it's just 2.8 years.

And in some of the world's most successful companies, it's even lower than that. Among the most successful Silicon Valley firms, the only one with an average tenure over 2 years is Facebook. The average is closer to 1.5.

The force driving this change is very simple. Now more than ever before, people know that security isn't in any particular job, but in the job market itself. The more you move, the more skills and experience you build, the safer and more valuable you are.

In particular, our accelerated shift to remote and hybrid working has created an environment which is inherently more distributed and fluid.

This is nowhere better exemplified than in the meteoric rise of the contractor – especially during and following the pandemic. In a predominantly hybrid working environment, contractors benefit from a greater range of options. But they also benefit from the faster learning curve that comes with working on a much more diverse array of projects. Positioning them much more strongly in the market – especially as companies struggle to find permanent hires.

And contrary to the wishes of many, this new fluidity is only likely to increase as we find our feet in the post-pandemic world, non-traditional working patterns are increasingly perfected and optimized. We're never going back.

But that isn't a bad thing

If we can learn anything from some of the most successful and innovative businesses of the past 20 years, it's that we may have been radically overvaluing long tenure.

Many of the most successful businesses on the planet have employee tenure well below the new average of 2.8 years. And yet they are also frequently cited as among the best companies on earth to work for – and more importantly, other companies are falling over themselves to hire their alumni.

In the past 2 years alone, many businesses and many HR teams have already been forced to do things they've never done before – and had never even considered doing – to survive and transform through the largest disruption to working practices in the past 100 years.

The success of these organizations clearly demonstrates there's a real opportunity for companies to transform their entire approach to talent. Not just by following the benchmarks set by others – but by becoming the benchmarks themselves and taking advantage of the flexibility that the emerging new talent market has to offer.



“

Great leaders today are learning how to thrive and create value in a more fluid world of work where tenure is declining. Nobody believes tenure will increase in the future so winning requires building a new talent strategy that expects people will leave.

Steve Cadigan

LinkedIn's First Chief HR Officer, Future of Work Obsessed,
Board Member, Teacher & Author

”



The 4 pillars of a new approach to talent strategy

Before we get started, we'd like you to engage in a little thought experiment:

Imagine that a new global law has just been passed: no employee can work for the same company for a period longer than 3 years at any given time.

Obviously, under such extreme circumstances, employers and hiring managers would be forced to completely re-orient their relationship with prospective employees.

The inevitability of a person's leaving would mean that everyone would have to think longer and harder about where they're going to end up next. Benefits would need to be optimized for the short term rather than the long. Jobs would need to be much more carefully designed, upskilling much more finely tuned. Planning for future skill needs and paying close attention to your wider industry and adjacent industries would be crucial to ensure you can replace and onboard new talent at the end of each rotation.

Once you've considered this scenario, consider that with the average tenure for an increasing proportion of the workforce being less than 3 years, **these are the kinds of changes to your talent strategy you need to be making already.**

And to make those changes, you'll need to abide by the following 4 principles:

1 Make talent development a core part of your business

This means not just improving your skills and learning approach but getting much more creative with how and where you identify and develop the people you want to work for you.

In other words, you'll need to get used to designing and owning your own talent pipeline. This will require a step-change in attitude from many firms, because while most hiring processes are extremely linear, an organization's talent needs rarely are.

It'll no longer simply be enough to try and buy skills from outside the organization (especially since the traditional interviewing process isn't a particularly effective or efficient way to find the skills you need.)

Instead, you'll need to start with a thorough audit of your existing talent base in order to determine what skills they already bring to the table, and what skills they **wish they had.**

You'll also need to get used to hiring people who aren't perfect for the job. Traditional HR teams expect their candidates to meet 80-90% of the criteria for a role on hire. But in the future, you may need to accept they'll only have 50% - but focus much more closely on their capacity to learn the other 50% while they work with you.

In the long term, taking the right approach to talent development doesn't just mean figuring out what skills you need and getting hold of them. It means figuring out what skills you want your people to leave the organization with – and where you want them to go next.

The 4 pillars of a new approach to talent strategy

2 Commit to careers – play the long game

HR and business leaders have to embrace the reality that the people they hire are more likely to leave than they are to stay. And this means they have to abandon the Tony Soprano approach to outplacements. (“If you quit, you’re dead to me!”)

Instead of retaining the employee, HR leaders must instead focus on retaining their **relationship** with their people after they leave the business.

This will require an inversion of current practices. Instead of asking people “what will it take to make you stay here?”, get used to asking your people “where would you like to go next?” An enlightened leader must acknowledge that not everybody is going to spend 30 years with the company and celebrate the success of their leavers.

Taking this attitude – and setting up a strong alumni relations program – can pay off in a real way in the long term, with past employees becoming your future customers as they move and grow.

More importantly, it can also help you to boost retention by creating “boomerang” employees. After all, in a tight talent market with high rates of turnover, given enough time, many of your choices of recruit are likely to be people who’ve already worked with you.

You’ll also need to start asking yourself which companies you’d most like to hire from, building on the skills audit questions asked as part of our first pillar.

3 Engage in the employee

Employee engagement has been a topic of much discussion following the onset of the pandemic. In line with what we’ve already said, independent analysts at Gartner have highlighted that engagement will be key in building effective talent strategies in the years to come. But this will be less focused on employees engaging with the organization than it will on the organization engaging with its people.

Gartner cites equity, connectedness to work, and frequent soft and hard measurement as essential to maintaining engagement.

Meeting these requirements and creating an experience of work that promotes engagement will require a much more proactive level of involvement and be much more innovative and flexible in their approach to building new workforce strategies.

In the past, HR teams have been the guardians of rules and processes. In the future, HR will have to be risk takers and be willing to experiment in order to become catalysts for change, rather than simply trying to maintain stability.

This will require not only a willingness to be flexible, but a willingness to establish much higher degrees of trust with your workforce. If the pandemic has taught us anything, it’s that leaders who build trust and maintain transparency are rewarded with engaged employees. Showing you can invest time in someone’s career and wellbeing gives the employee confidence they are not simply a cog in the machine.



The 4 pillars of a new approach to talent strategy

4 Rethink how you think of jobs
Decreasing tenure and an acknowledgement that business strategy needs to be based around ever-changing talent rosters will require leaders to completely change the way that jobs are structured.

You'll need to design your new roles from the assumption that whoever is doing them will only be staying with you for 2-4 years – and work backwards from this point.

Ensuring faster time to value from your new hires will also be key. Jobs designed with short tenure in mind will also need to be supported by much more tightly controlled onboarding and “bedding in” processes. Skills and learning will therefore have to become a much more prominent part of the HR function, alongside the development of talent pipelines. (And the skills people are able to learn with you will become a key part of the benefits you can offer to talent to bring them on board.)

In line with this, you'll also need to reorient your benefits to make them more compatible with short terms of service. Rewards for time in role or time with the company will have to go, replaced by performance-based incentives for work on specific projects with much more clearly established targets and expectations.

Although it may feel like a lot more work in the short term, in the long term, taking this approach to building jobs within your organization can help HR position itself as a strategic partner. The role of HR and company leaders becomes less focused on keeping the roles that currently exist filled, and more on developing a strategic forecast of what roles will be needed in the future as your constantly rotating talent roster is progressively replaced over time.

In other words, innovation will increase because it will be more of a necessity than ever.



How do we get there

So how do we get there?

Moving to this new mode of talent strategy and leadership won't be a simple or linear process. To paraphrase Malcolm Gladwell, if you want to change something, you'll probably find you have to change a hundred small things.

Technology of course can be a tremendous boon to leaders both in and out of HR in helping redesign your approach to talent. From helping you to audit your skills to improving your people's learning, regularly taking the pulse of your peoples' engagement, creating transparency and equity in pay, and providing your people with the seamless experience and connection to work they need in the new world of hybrid working.

Some examples of the ways in which organizations responded to the disruption of the last few years include:

- Enforcing working from home on the entire organization and the tech investment that came with this
- Stopping all forms of business travel.
- Rethinking business strategies to cope with the changes in working practices.
- Measuring performance and outcomes rather than time worked or responsibilities.
- Reevaluating the employee value proposition to be able to attract top talent.
- New ways and initiatives to keep people engaged while they are home working.
- Having to speed up decision-making and approval times.
- Embracing a culture change brought about by virtual working.
- Changes to talent management from virtual interviews and onboarding to a significant change in workforce demographics and increases in entry-level salaries.
- Optimizing short-term employee benefits.
- Industries such as hospitality had to incorporate hybrid working models for the first time.
- Developed polls and other ways to get instant feedback from employees on new processes.
- Introduced new tech to overcome travel restrictions such as translation applications for presenting virtually in other countries.
- Time scheduled to check in with people and teams which may have been missed if everyone had been in an office.

Case study — Cisco

Cisco Systems is an IT and networking brand specializing in switches, routers, cybersecurity, and IoT and whose logo seems to be on every office telephone or conference hardware.

COVID-19 touched us all. And throughout this crisis, Cisco responded by enabling the world's networks to handle the sudden work-from-home surge and providing collaboration tools that brought people together virtually.

From the pandemic's earliest days, Cisco was deemed an essential business offering critical infrastructure. They prioritized orders from first responders and essential services and supported the rapidly changing needs of healthcare facilities. At the same time, they provided, and continue to provide, solutions to help communities, customers, suppliers, and partners to operate effectively in virtual environments across the globe.

Their response was rooted in a long history of responding to global challenges. In the context of this pandemic, here is how Cisco helped each of its stakeholders rebuild:

For customers

For customers, life changed almost overnight as they were forced to close or shift to remote work. To support this transition, Cisco introduced a variety of free offers and trials for their Webex and security technologies, as well as US\$2.5 billion in financing to help keep businesses running. The Business Resiliency Program, offered by Cisco Capital, included an up-front 90-day payment holiday and allowed customers to defer 95% of the cost of a new product or solution until 2021.

In partnership with suppliers, they developed a new order prioritization process that fulfilled over 2500 critical customer infrastructure requests related to first responders. For healthcare customers, they provided essential technology to support remote connectivity and telemedicine; customized solutions to support the rapid ramp-up of ICUs, temporary clinics, and COVID-19 test sites; and enabled medical device integration and remote access to medical data. For customers who manage factories, distribution warehouses, and other facilities requiring on-site personnel, they provided solutions that helped ensure employee safety and privacy while allowing them to remain productive.

For employees

While many Cisco employees were already equipped to work from home, they increased their capacity sevenfold to support 140,000 remote employees and contractors in just ten days. This required expanding the capacity of their VPN, providing employees with needed equipment, and broadening global IT support.

They also remained attuned to employee wellbeing. During regular virtual Check-Ins, their executive leadership team, medical and mental health experts, and special guests offered business updates, medical guidance, perspective, and inspiration. They also gave employees several extra paid holidays to be with family or reset and recharge.

For communities

The company was aware that people who were vulnerable before the pandemic faced even more risks to their health, stability, housing, and wellbeing. The nonprofits that serve these populations have seen declines in volunteer capacity and financial support, on top of the challenges of complying with social distancing requirements. Cisco stepped in to help organizations near and far, donating US\$53 million in cash and personal protective equipment to organizations addressing these vulnerable citizens.



Cisco's four pillars for an Inclusive Future

While COVID-19 has been a major focus of efforts over the past year, the pandemic will not be the last major crisis we all confront. To enable Cisco to be a part of solutions for any crisis, injustice, or global challenge, they have developed a new framework anchored by four primary pillars of response:

- **The Most Vulnerable:** Focusing on the nonprofits and partners that support underserved communities, first responders, and those disproportionately impacted by systemic issues and crises.
- **Families and Community:** Expanding care and wellbeing services beyond our employees.
- **Research and Resilience:** Supporting technology solutions that can advance healthcare research and address social inequities
- **Strategic Recovery:** Helping healthcare and education institutions provide care and pathways to job opportunities during times of uncertainty.

The pandemic put companies across the globe in crisis mode, but Cisco's response saw them top Fortune's 2021 100 Best Companies to Work For list partly for how it treated its workers during the pandemic.

Source: <https://blogs.cisco.com/csr/connecting-in-a-time-of-crisis-ciscos-response-to-covid-19>

Ready to learn more

The pandemic has taught us all that we are capable of adapting in ways we never thought possible. We want to include in this a raising of expectations of what Human Capital Management (HCM) software can do for you and your people. Unit4's solutions are designed to deliver a superior People Experience across your entire organization.

Unit4's HCM suite helps you optimize your people processes, simplify and increase the accuracy of your payroll, and boost the productivity, engagement, and growth of your talent.

Click here to book a demo or you can watch our 2-minute explainer video here to see how we can help you engage your people and be more of a strategic partner to your business.

[Book a demo](#)

[Watch the video](#)



For more information go to:

unit4.com

Copyright © Unit4 N.V.
All rights reserved. The information contained in this document is intended for general information only, as it is summary in nature and subject to change. Any third-party brand names and/or trademarks referenced are either registered or unregistered trademarks of their respective owners. WP220801INT

UNIT4
In business for people

UNIT4
In business for people