

MULTI SPEED TALENT



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CAN YOU HAVE MULTIPLE OPERATING MODELS BUT JUST A SINGLE TALENT STRATEGY?

It's a looming question in today's dynamic markets. Companies are beginning to execute more complicated global business strategies while working more frequently with talent from both inside the organization and outside.

"Multi-speed" operating models are increasingly being adopted by today's organizations. Why? Because each part of a business moves at a different pace, so leadership needs to master the art of delivering on strategic imperatives in a way that helps each of those parts thrive and contribute.

That explains why, according to recent Accenture Strategy research, 77 percent of executives from traditional companies who were surveyed said "flexible and dynamic" described a successful operating model for their digital operations. Equally interesting: 81 percent said that in the future, their company will need to manage multiple operating models in parallel.¹

Many organizations are investing in multi-speed IT strategies to support their increasingly complex and dynamic operations, but when it comes to the workforce most still rely on a single inflexible talent strategy. This needs to change, and thanks to digital advances it is possible to create multi-speed talent strategies that support varied strategic goals across the business.



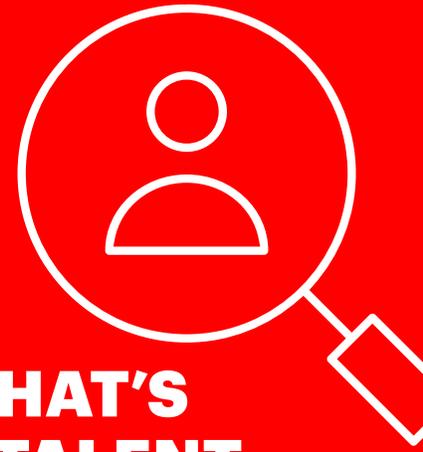
WILL YOU FIND THE TALENT YOU NEED?

It's a complicated question. Digital transformation across different parts of the business is on the minds of most companies these days. But whether they have the talent needed to accomplish that transformation is unclear. According to the Accenture Strategy research referenced earlier, when asked to name the top challenges their company needed to overcome to succeed in its digital transformation, "acquire, develop and retain digital talent" was the top response (34 percent) of executives.²

Many traditional incumbents have reasons for concern. First, digital disrupters—digital-born companies launched in the era of cloud, social, analytics and mobile—are generally more adept than incumbents at partnering across a broad ecosystem of companies to source the talent they need for a particular initiative.

Second, new Accenture Strategy analysis of Glassdoor data finds striking disparities in the perception workers have of digital disrupters versus traditional Fortune 50 companies. (See Figure 1.) In terms of culture and values, for example, workers favor digital disrupters over traditional companies 85 percent to 67 percent; career opportunities, 79 percent to 65 percent; and compensation and benefits, 82 percent to 69 percent.³

These results are alarming, especially as digital disrupters continue to muscle into industries ranging from banking to retailing. But here's where a multi-speed talent strategy can help. With such a strategy, any type of company—from large, incumbent enterprises to digital-born disrupters—can tailor its talent approach to the unique needs of different groups and workforces.



WHAT'S A TALENT STRATEGY?

Successful organizations carefully plan and create strategies for managing talent, both internal and external to the organization. Talent strategy is a comprehensive approach that includes:

- Staffing and recruiting
- Leadership
- Culture
- Career frameworks
- Performance management
- Learning and development
- Employee experience

FIGURE 1: WORKERS' RATINGS OF TRADITIONAL COMPANIES VERSUS DIGITAL-BORN COMPANIES

COMPANY TYPE		DIGITAL DISRUPTER AVERAGE	FORTUNE 50 AVERAGE	DIFFERENCE
GLASSDOOR RATING	 OVERALL RATING	83.2%	70.8%	12.4%
	 CULTURE & VALUES	84.5%	66.7%	17.8%
	 WORK/LIFE BALANCE	74.2%	66.8%	7.4%
	 SENIOR MANAGEMENT	76.0%	61.0%	15.0%
	 COMPENSATION & BENEFITS	82.0%	68.9%	13.1%
	 CAREER OPPORTUNITIES	79.3%	64.6%	14.8%
	 RECOMMEND TO A FRIEND	83.1%	66.5%	16.6%

Source: Accenture Strategy analysis of Glassdoor data, 2017

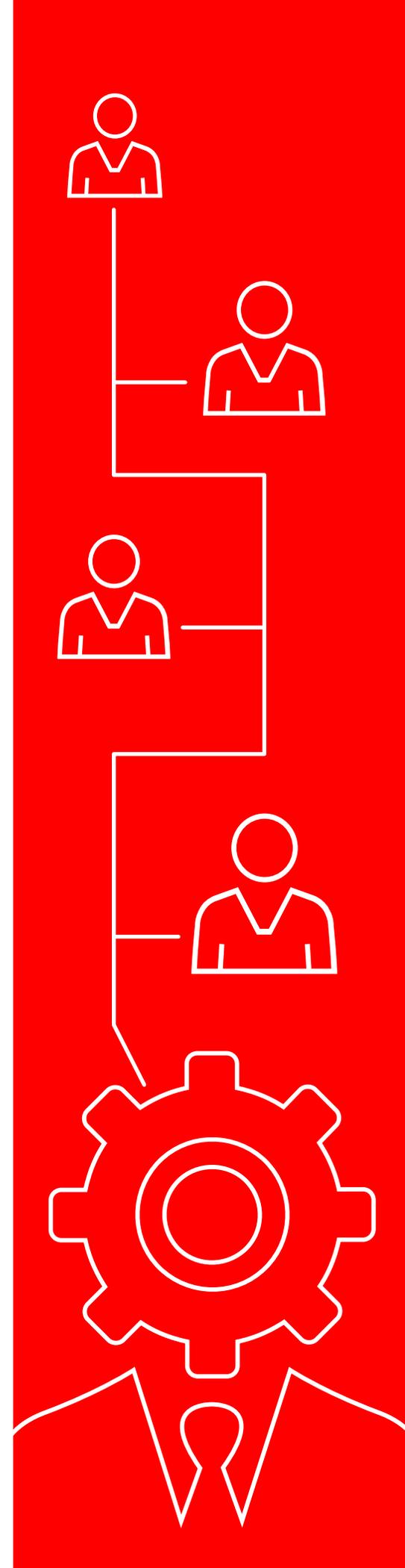
NO MORE “ONE-SIZE-FITS-ALL”

Companies looking to build out digital operations will need to develop and hire different skills and match them to new capability requirements, all while continuing to support their more traditional workforces. An undifferentiated talent strategy that can't meet the needs of both new and traditional workforces, or that is not aligned with business strategy, will weaken business outcomes and stifle growth.

Many companies today are developing more sophisticated capabilities in areas such as automation, analytics and artificial intelligence. It stands to reason that such companies are attracting—or need to attract—different kinds of employees with different skills and outlooks.

With a monolithic or single-speed talent strategy, it is much harder to tailor the right kind of employee experience that helps engage, develop and retain this new type of talent. Your workers, especially millennials, are accustomed to personalized consumer experiences. Why should they expect less at work?

Accenture Strategy recently worked with a company in the financial services industry to look at the ways they managed talent and to analyze the different components of their talent strategy. We asked, “How can we make everything relevant for the workforce ecosystem you have now, as well as your future workforce?” The company was making a series of talent-related changes: locations, the types of work people were doing, the kinds of skills that needed to be recruited, the career pathways and the criteria for advancement. That's a lot of moving parts.



The team had to work on developing a talent strategy that leveraged what already existed at the company, but also created something nimble enough to meet future requirements. Accenture Strategy eventually developed a standalone, separate talent strategy for a critical workforce supporting IT needs including application development and support. The strategy leveraged the common infrastructure but was tailored to the specific needs of that workforce.

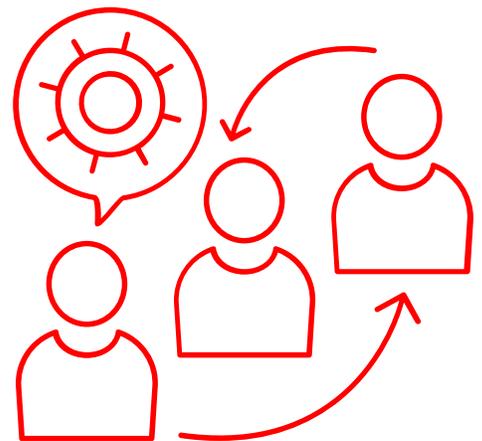
The next logical step, as the company evolves, will be to modularize that approach so that different areas of the organization can pick and choose the pieces relevant for additional critical workforces.

IS YOUR HR ORGANIZATION UP TO SPEED?

A multi-speed talent strategy requires new kinds of HR thinking and action to make it all work. HR is a critical player because it is uniquely positioned to connect the needs of the business with the right talent to deliver on those needs.

A first step, then, is to understand the organization's different business objectives and their implications for different workforces. For example, one objective might be to save \$X million in costs. This might focus HR on those workforces where automation and augmentation could replace routinized work, redeploying people to areas where their knowledge and skills could make a greater business impact. On the other hand, the objective to hit new revenue targets would highlight the importance of the sales organization. The need to improve innovation and time to market might result in an emphasis on R&D or IT.

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Once those business-centric factors have been determined and relevant workforces identified, then executives can go a layer down to look at the supporting talent strategies for those workforces. Some parts of the strategy might be common across many workforces. Other parts would need to be customized to different groups.

For example, consider how the talent strategies for a sales organization would contrast with strategies for a workforce specializing in digital solutions. Recognition and rewards programs would certainly differ, as would the way workers are engaged and motivated. Training for salespersons would likely be primarily employer-sponsored and there would probably be lots of it because the ROI can be seen directly in terms of increased sales and revenue.

With the digital solutions group, staying abreast of hot skills is a top priority. Companies looking to attract and retain these workers would need to provide additional opportunities for professional development, including allowing people time to participate in open source communities where cutting-edge ideas are shared and discussed. Because of the intense competition for top talent in the digital area, large enterprises might invest time and effort in creating more of a start-up kind of culture, offering more varied work and encouraging entrepreneurial mindsets.

As these examples demonstrate, adopting a multi-speed talent strategy means that HR now needs to (1) understand which parts of the employee lifecycle need to be tailored, while (2) determining which parts can be standardized, modularized and reused. Based on that expertise, HR can more readily attract and retain top talent, keep costs in line, drive excellence in workforce performance and increase impact on the business.

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CHANGING GEARS

So how does one go about developing a multi-speed talent strategy? Here are a few tips.

APPLY A MULTI-SPEED MINDSET ACROSS THE EMPLOYEE LIFECYCLE

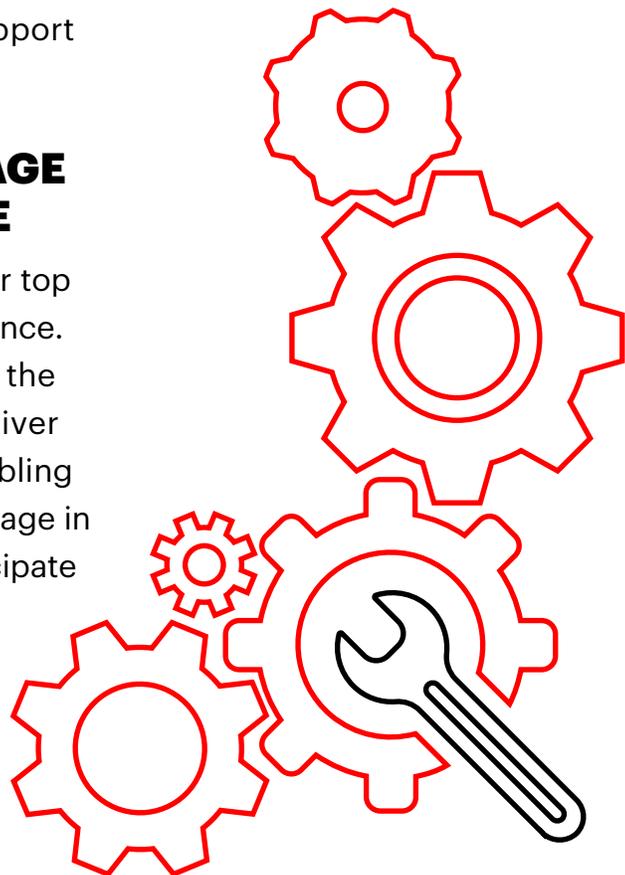
Take a page from IT and apply “agile” approaches to your talent strategies. Agile development is more flexible, aligned and adaptive than traditional development. When you have an agile, multi-speed talent strategy, you can deliver parts of the lifecycle tailored to different workforces just when they need them.

MAKE SURE YOUR HR ORGANIZATION HAS A SCALABLE AND PERSONALIZABLE INFRASTRUCTURE

Thanks to digital advances, HR can now leverage a common IT platform to create modularized solutions for the business and scale each part as needed to address each critical workforce. HR also needs to apply a consistent framework to support decision making.

PLAN AND OPERATE FROM THE VANTAGE POINT OF THE EMPLOYEE EXPERIENCE

No doubt about it, there’s a competitive marketplace for top talent out there. Workers expect a personalized experience. A company should be able to plan experiences across the employee lifecycle, just as they now plan how to deliver differentiating customer experiences. What about enabling employees to choose their own work schedules, or engage in specialized training or sabbatical experiences, or participate in social outreach programs as part of their work day?



LIVING AND WORKING IN A MULTI-SPEED WORLD

The speed of product development and service delivery are accelerating dramatically. Companies are under increasing pressure to tailor and customize—to different customer segments, different parts of the business and, yes, different parts of the workforce, both internal and external.

Organizations that don't make the leap into modularized, scalable, personalized talent strategies may not be able to keep up with the cost pressures of attracting scarce critical talent or the demands of future workforces. Nor will they be able to deliver on the expanded portfolio of products, services and businesses required to fuel future growth.



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NOTES

¹ Accenture Strategy Digital Operating Models research, 2016

²Ibid

³Accenture Strategy analysis of Glassdoor data, Feb 11-12, 2017. www.glassdoor.com. Digital disrupters included in assessment: Amazon, Uber, Snapchat, Box, Salesforce, Airbnb, Palantir Technologies, Spotify, Google, LinkedIn, Stripe, Facebook

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