

HR PEOPLE + STRATEGY

STRATEGIC HR FORUM

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Connecting Talent to Value

In today's era of disruption, CEOs often rapidly redeploy financial capital to points in their business where they can create value. Yet what use is money if the right talent isn't doing the work? We have seen some of the world's biggest employers deliver a 2x total return to shareholders when they rapidly, strategically, and simultaneously redeploy financial and human capital. It is time we follow their lead. It is time we connect talent to value.

Connecting talent to value calls for a fresh mindset and new processes.

We are entering the era of HR 3.0. Rather than continue to respond to strategy as business partners, we connect talent to value and literally "coach value into existence" for our globally integrated enterprises. We act as business leaders and guide the CEO's strategic choices from a talent perspective, shape our organizations for growth, and dynamically close capability and capacity gaps.

We recently helped the CHRO of a

\$25B company whose industry was being disrupted do just that. Instead of using a traditional spans-and-layers approach, we took the organization through a talent-to-value process. That identified the 50 critical roles covering 22 hotspots that were driving 80 percent of the value agenda.

Rather than simply increase spans to trim the organization (which would wipe out many of these roles), the company chose to keep all 50 roles, fill them with the right talent to get the critical work done, and give them access to what they needed to succeed. They also reinforced the importance of connecting talent to value by eliminating other extraneous roles that had no direct reports and no direct connection to value creation.

Two HR traditions had to be put aside in this new talent-to-value approach: connecting a "big person" with a "big job," and relying on black-and-white assessments of talent as "good" or "bad." We invited the CHRO to think like a casting agent and focus on finding the right match and fit

between talent and role. That meant they had to understand the company's value agenda, pinpoint exactly where in the organization value would be created, and identify what jobs needed to be done in which critical roles. We showed them how to select individuals who had already done well the specific jobs that the company needed done in each critical role to deliver the value. Critical roles are not opportunities to develop talent. So we helped them identify the risks inherent in the design of each role, as well as the potential risks they might incur with each candidate doing those jobs. After selecting the best role-talent combinations, they were then able to design targeted interventions to reduce risk in both the role and the talent sides of the equation.

Connecting talent to value is just the beginning of HR's evolution. As we contemplate what will be necessary to lead our companies through disruption in the future, many other practices will also evolve. We will design for value, bring speed to value, and connect people's energy to value.