Take Your Talent Strategy Further: Connecting People and Work

A guide to attracting, managing, and activating top talent
Your talent strategy: The key to drive business success

Globally, competition for talent has never been fiercer than it is today. For today’s C-suite, a number of key priorities hinge on a strong talent strategy. However, building the kind of talent strategy that drives the organization forward is no small feat.

To win in this ultra-competitive market, organizations need to focus not just on hiring the right people — which is hard enough — but on equipping and activating their talent to optimize productivity and fuel growth.

In today’s changing world of work, employees expect more. As an employer, this means you have new responsibilities — like understanding what motivates each employee, helping your people discover and apply their strengths, and allowing them to develop and grow their skills so they can work and lead more effectively. It’s about helping your people to recognize and reach their full potential — both as individuals and as part of a successful team. After all, if you don’t do it, someone else will.

While it was once considered the employee’s responsibility to seek learning opportunities and further their careers, today people expect employers to put together a framework and provide the tools, guidance, and support to ensure they can work smarter and progress quickly.

This guide builds on the work of the ADP Research Institute®, a team that analyzes workforce data on a global scale and digs deeper to research the trends that are shaping the evolving workplace. We’ve boiled down the extensive research to identify three guidelines to help you create a culture that will empower your people to be their best — because when your people thrive, your business thrives.

We’ll explore those rules later in this guide. First, let’s explore how well you know what your people really want and need.

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1 The Evolution of Work 2.0: The Me vs. We Mindset, ADP Research Institute®, 2017
Do you know what your employees are really thinking?

To help your people optimize the employee experience and reach their full potential, you need to understand what they want, what they need, and what they’re really thinking. We know that’s not easy, so we’ve put our research to work to highlight four questions your employees are asking themselves.
“Is this the right place for me?”

Happiness in the workplace has tangible results. When employees are happy and feel like they belong, they contribute more and stay in their jobs longer.

In fact, the Harvard Business Review published an analysis of studies that showed happy or satisfied employees are 31 percent more productive, on average.²

So how can your employee engagement efforts boost those all-important satisfaction levels? It takes more than free lunches or ping pong tables. The first step is to deliver on the employment brand that drew people to your organization in the first place. Employers need to create a culture that lives up to the promises they make during hiring, and go beyond just a mission statement on their website. A whopping 60 percent of employees say they have left a job that did not live up to initial expectations.¹ As a leader, you have a real opportunity to work across the business to ensure initiatives like diversity and inclusion, continuous skills development, open feedback, and leadership training become an authentic part of your organization’s operating principles — not just empty promises. Companies recognize that diversity and inclusion are key to both employee and business success. But unconscious biases can creep into recruitment practices, undermining diversity strategies. Are your people trained to counter these biases (which they may not even be aware they have)? As technology continues to transform talent processes, re-examine how the tools you use — and the algorithms they employ — are truly fair and inclusive, so that they help contribute to building a diverse workforce.

Beyond this, at the individual level, you have to remember you’re dealing with multiple generations, perspectives, and cultures in the workforce with a complex array of priorities and needs. More than ever before, success hinges on helping employees develop — arming them with the programs and tools they need to grow their skills in a meaningful way.


Ask yourself....

- What employment brand promises are we making, either overtly or otherwise?
- Throughout my employees’ lifecycles, are we taking every opportunity possible, from hiring and onboarding to performance reviews, development, and career planning, to deliver on the promise of our culture?
- What do 90-day, 6-month, and 12-month voluntary attrition rates look like? Have they spiked or are they higher than industry norms?
- If we’re falling short of delivering on our promises, what can we do to change that?
YOUR PEOPLE STRATEGY IN ACTION

Your employment brand power

Your employees chose to work with you, at least partly, because of the culture your brand presented to them during the recruitment process (social responsibility, diversity and inclusion, work-life balance, etc.) and how your organization’s values align with their values.

Having programs that support both your brand and your business goals allows you to attract and retain the very best talent for your organization.

One apparel retailer was evolving its offering from that of a simple clothes supplier to one that gives its customers a truly service-based experience. To deliver this new kind of service on the ground, the VP of Human Resources knew the company would need a new breed of associates and managers. And that would require a change of hiring methods.

The retailer implemented behavioral assessment and applicant tracking tools to help them hire the right candidates — and used real-time performance data to give managers the insights they needed to make smarter decisions.

Comprehensive training programs and tools then enabled a service-based approach to educating new recruits — tied directly to sales performance with the help of performance analysis tools.

Access to localized data also helped managers offer better, more relevant career paths to employees.

By centralizing all of these processes in one system, the retailer gained better control over resources, and managers gained access to insights that helped them hire and develop the right talent for the new service-based model.
TAKE YOUR TALENT STRATEGY FURTHER: CONNECTING PEOPLE AND WORK.

Only 30 percent of employees believe they are getting the support they need to expand their skills and broaden their career paths at their company.

In fact, 49 percent believe they have to leave their current job to advance their career.¹

“Am I growing in my role?”

With very few exceptions, employees will leave their jobs unless they have visibility into their career progression options — and the right support to pursue them. The bad news?

Together, these stats add up to a grim outlook for employers that aren’t prioritizing growth opportunities for their people.

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We know that today’s talent shows up every day for more than just a paycheck.

We also know they want to be able to measure their performance more frequently, and crave visibility into opportunities for career progression. This is where practices like real-time continuous feedback, performance coaching, and career exploration become critical factors in hanging on to your best talent.

Now let’s look at another critical success factor -- turning an average team into an outstanding team. It’s simple: Empower the team leader. Managers no longer just “manage” work — they play an important role in developing, engaging, and getting great performance out of your top talent. Of course, managers have a huge impact on whether your people stay or go, so don’t overlook how you can ensure your managers are equipped to operate in the new world of work.

That doesn’t mean comparing them to a predetermined list of competencies, and overwhelming them with complex tools to work on the inevitable gaps you’ll find. It means identifying their strengths as leaders, and providing them with the coaching, education, and technology that fits into their work routines. Once your team leaders are engaged it’s more likely that their team members will do their best work. We’ll dive into that in the next section.

Ask yourself....

▸ Are we giving our people opportunities for growth, purpose, direction, and success through their work?

▸ Are we offering regular training opportunities and ensuring there’s time to take advantage of them?

▸ Do our managers have the time and resources they need to properly support their teams? More than half of active job seekers say they do not feel connected to their direct managers.¹

▸ How much of our current employee turnover is due to a lack of opportunity for growth?

Percent of employees say their personal development goal is to grow at their current company. Yet less than half have actually participated in training over the last year.¹
When you empower managers with the right tools (assessments, personalized reports, and coaching resources), they develop as leaders, their team members grow as individuals, and the whole organization benefits.

One engineering firm that takes pride in its open and collaborative working environment was able to put a policy in place to dramatically improve its leadership training and feedback. It used anonymous employee feedback tools to help refine leadership skills across the entire workforce.

The feedback itself was regular, confidential, digestible, and provided a foundation for data-driven training and development recommendations. It was also comprehensive — survey participation was high, with 89 percent of employees taking part.

By using that data to inform its development programs, the firm was able to effect positive, directed development of leadership skills at all levels of the organization.
“Am I using my strengths?”

In today’s evolving workplace, you don’t want to miss an opportunity to optimize an employee’s contribution and feeling of purpose. This takes understanding about what each individual brings to the table, matching the right people to the right tasks, and then helping those people identify what they do best and where they can contribute most.
It’s now up to the employer to find the time to prioritize and adopt more agile processes and team structures to help drive productivity, boost engagement, and increase efficiency.

Tools like **strength assessments** can help inform tailored training and development. Equip your team leaders with training and tools so they can get to know the individual strengths of their people. Encourage and guide them in conducting appropriate and frequent check-ins that will keep their team focused on priorities and continuously building upon their strengths.

Feedback from peers and direct reports can also inform coaching and development. The process for gathering feedback should be stripped of as much bias and subjectivity as possible. Instead, use objective, anonymous data gathered from all relevant parties.

Once you’ve created individualized coaching plans, don’t make it difficult for your team members to follow through. Give them access to contextual, bite-size educational content that they can explore in their own way, at their own pace.

_ask yourself..._

- Are we taking notice of our employees’ abilities, and offering continuous strengths-based coaching to help our people develop their skills and reach their full potential?

- Could we adopt more agile processes, incorporating strengths-based coaching into managers’ and team members’ routines?

- Do we make learning and development resources accessible and relevant to the individuals who need them?
Propel talent into high performance

Coaching has taken on a profoundly expanded role in business, and is now a key component of maximizing the productivity and engagement of an organization’s employees. In fact, it is one of the most effective methods for growing and retaining top talent at every level.

Talent management professionals at one hotel chain conducted an experiment to test the value of strengths-based coaching. They developed a program for general managers and rolled it out in a number of locations to see if it would result in improved performance at the chosen hotels. General managers were chosen for their widespread impact on all aspects of a hotel’s success, from revenue to company culture. A control group was used to rule out changes that occurred for reasons other than the trial.

After six strengths-based coaching sessions, spread over six months, the trial hotels saw a significant, positive impact on hotel performance, measured by guest satisfaction and revenue generated.

There was an equally positive impact in qualitative analysis, where study participants reflected favorably on the benefits of coaching. For this hotel chain, strengths-based coaching benefited not just the employees themselves, but the customers they serve and the business as a whole.
“Am I appreciated and paid fairly?”

Your people know their worth. And with easier access to pay data than ever before, they most likely know the market rate for jobs like theirs. They might even know what your top competitor is paying people in their position. That means the ability to have accurate and real-time benchmarks on compensation data is critical for employers to attract and retain in-demand talent.

But money isn’t everything. More than ever before, less tangible factors like culture, flexibility, purpose, growth opportunities, and community involvement are attracting your talent to other organizations.

Getting this right is about helping your people take a holistic look at the perks and benefits you offer beyond a paycheck.

One nonmonetary way organizations are expressing appreciation is through more frequent conversations about performance, consisting of both feedback and development steps. This will help ensure your employees feel appreciated and have the opportunity to discuss their progress and desires on an ongoing basis.

In fact, as many as 44 percent of employees would consider moving to a job that pays the same or less.¹

Ask yourself....

- Are we fully aware of our employees’ needs and desires?
- Are we able to identify the top reasons why employees leave our organization?
- Do we reward our employees fairly in comparison with our competitors?
- Do our leaders have enough time to help ensure that those working under them are content? And is their approach hands-on enough to keep employees happy?
- Are we providing regular opportunities for feedback and progress reports?
YOUR PEOPLE STRATEGY IN ACTION

Using data to engage and keep top talent

Analytics make it easier than ever to identify and take action in hot button talent areas, such as why workers choose to leave.

In the hospitality sector, like in many other industries, hiring and retention have become strategic business challenges. According to the U.S. Bureau of Labor Statistics’ Job Openings and Labor Turnover (JOLTS) program, the hospitality industry’s turnover rate reached 72 percent in 2015, compared to an overall rate of about 46 percent for all private-sector employees.

One U.S. spa resort with a broad array of staff recognized the need for workforce data and insights to identify employment trends and issues that could help the company make evidence-based decisions.

Through their Human Capital Management (HCM) solution, leaders have access to anonymized and aggregated data from 30 million workers, allowing them to:

• Benchmark against the performance of other companies and industry standards.

• Transform monthly management reports and deliver data-driven, visual reports on new hires, compensation data, and more.

• Use HR data to drive business transformation, both on a company-wide and local scale, affecting everything from onboarding strategies to employee performance and satisfaction.

Benchmarking data enables organizations to move from an inward-looking model to one that looks outward for insights grounded in the context of the wider industry.

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Three best practices for equipping your people to be their best

Once you have a better understanding of what your people are really thinking, it’s time to make sure you’re doing everything in your power to help them excel.

Here are three best practices we’ve distilled from working closely with our clients and gathering insights from the ADP Research Institute.

1. Talent strategy shouldn’t follow business strategy — it should lead it

2. Fulfill employee expectations — deliver on your hiring promises

3. Stop guessing — let the right data guide you
Talent strategy shouldn’t follow business strategy — it should lead it

More than ever before, we’re seeing people-related initiatives show up as top C-suite priorities. Organizations recognize the need for an evolved talent strategy — one that doesn’t just align to business goals, but drives outcomes too.

Key considerations:

One size doesn’t fit all
Your business strategy is unique to your organization, which means you need a talent strategy tailored to your needs.

For example, if you’re in growth mode and your strategy is to continue to drive growth, you need a talent mix that includes a focus on getting the right people in the door. Take a closer look at your breakdown of employees and contingent or gig workers, how they’re serving your needs today, and how needs will evolve as your operation scales.

Consider the workforce as a whole
In the future, 50 percent of global organizations surveyed believe that companies will exclusively hire contract workers on a project-by-project basis. This means, for most organizations, the employee experience across their workforce is becoming disjointed. The good news? Sixty percent of HR leaders say that by 2020, they will use a unified talent strategy for employees and contractors.

The power of inclusion
Programs that boost diversity and culture are becoming more important to both an employment brand and improved business outcomes. Some organizations make it their strategy to reach out to candidates who may be struggling to find employment — people like veterans who bring valued, transferrable skills gained through their military experience to the workplace. As an added value, companies hiring this type of new employee may be entitled to the Work Opportunity Tax Credit (WOTC) with tax credits in the thousands per eligible new hire. By integrating the WOTC application process with an applicant-tracking system, employers and candidates can take advantage of this opportunity easily and cost-effectively.

Whatever your overall objectives, your talent strategy needs to be in lockstep with your business strategy.

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YOUR PEOPLE STRATEGY IN ACTION

Evolving your talent strategy to achieve growth

One of the nation’s largest providers of diagnostic imaging, serving more than one million patients a year across 45 states, was undergoing significant growth — both organically and through mergers and acquisitions. The senior vice president of HR knew it would take a strategic approach to recruit and retain the talent necessary to support this growth.

This was achieved on multiple fronts:

• On social media, where posting jobs and sourcing candidates has been simplified.

• From pre-hire to onboarding, where paperless processes have helped the company maintain high-touch, low-friction engagement with candidates and new hires, expediting them into productivity and performance.

• In payroll, tax, and benefits administration, where integrated systems and compliance support help ensure the company can stay one step ahead in the 45 states in which it operates.

This interconnected setup enables the company to stay strategic about retention and engagement, even through fast-moving times of significant growth.

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Of course, no talent strategy will succeed unless it delivers what your people really want (and need). If your strategy falls flat, that’s an indication you’re suffering from the employer-employee disconnect we mentioned at the start of this guide.

That’s why when one major healthcare company began to see a lack of engagement, lower levels of efficiency, and a spike in turnover among its employees, it decided to take action. They developed a framework of support, based on strengths-based coaching and personal employee development conversations.

Along with a policy of frequent staff check-ins, these changes saw:

- Employee engagement increase by 83% in 13 months.
- “Fully engaged” team members increase from 17.5 percent to 32 percent — almost two times the U.S. benchmark of 18.7 percent.
- Staff retention rate increase by 2 percent.

The direct impact of personalized, strengths-based coaching and development on engagement and retention levels was clear to the organization and its leaders.
Fulfill employee expectations — deliver on your hiring promises

Your organization attracts talent for a reason. Whether it’s your flexible workplace with cool perks or a culture that enables career mobility, your employees show up at your doorstep with expectations and excitement. It turns out the same five factors that matter most to employees, when they’re looking at potential employers, are the same that matter most when it comes to keeping employees around.

**Top five factors for employee attraction AND retention:**

1. Career development
2. Work hours
3. Work itself
4. Company reputation
5. Flexibility

Promising these qualities is one thing, but following up on those promises is essential for a successful talent strategy. If any one of these areas delivers less than expected, then you won’t just have to deal with lower levels of productivity and innovation — you’re more likely to lose the people you worked hard to hire. In fact, 60 percent reportedly have walked away from a job because it failed to live up to their expectations.

Help your people hit the ground running. Our research has identified the “Three C’s of Onboarding” required for success:

**Connection**

When ADP® asked how onboarding impacts that connection, the combination of a structured and high-quality program won out. Employees who experienced a structured process were more likely (55 percent) to feel “extremely/very connected” after their first day than those who did not (32 percent). From a quality standpoint, employees who reported onboarding “went very well” were three times as likely to feel “extremely/very connected” compared with those who did not.

**Comfort**

The relationship between onboarding and employee comfort is key, and ADP’s research drives that point home in dramatic fashion. In fact, employees from the survey said “feeling more comfortable” is the number one desired attribute when it comes to onboarding.

**Culture**

Employees need to feel that sense of belonging to something larger than themselves. By getting the cultural factor right within onboarding, employees are primed to be productive.

After onboarding, how can you help your people develop in their careers, focus in on their strengths, and support their leaders? One “C” is particularly important here: Connection. Currently, more than half of active job seekers say they do not feel connected to their direct managers. And 60 percent do not feel connected to senior management. This is where the strengths-based leadership and coaching we mentioned earlier makes a real difference.

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1. Career development
2. Work hours
3. Work itself
4. Company reputation
5. Flexibility

5. The Human Touch Drives Onboarding Success, ADP Research Institute®, 2015
Key Considerations:

Remember what you promise your people to get them in the door — and then make sure you follow through on it. That means ensuring you have a connected process (and data — see next rule) from interview through onboarding and beyond, so you know exactly what was promised and what you need to do to fulfill those expectations.

Make sure you’re doing everything you can to activate your people’s talents.

Ask yourself....

- Do my leaders have the right skills and tools to effectively manage teams?
- Do my people have the right practices and technology to collaborate?
- Do we know what’s driving the highest performing teams and people?
- How do we align the performance of our people to make sure we meet real business objectives?
- Are we living the culture we talk about or promote, both internally and externally?
YOUR PEOPLE STRATEGY IN ACTION

Placing company culture at the center of recruitment

Keeping your company culture front and center of everything you do, from recruitment onward, will help keep employees happy and productive.

When a major tire manufacturer engaged ADP to help with their recruitment, they knew the key to success would be a deep understanding of company culture.

The manufacturer went to great lengths to integrate the ADP team into its internal workings and day-to-day life, introducing key business and HR leaders and having current employees share their hiring experiences. With this understanding, it was easier to develop successful recruitment strategies because everyone at every stage of the process was on the same page.

With this relationship in place, the manufacturer was able to:

• Take advantage of strong data, metrics, and technology to improve recruitment performance.

• Identify and utilize key hiring and performance metrics.

• Simplify candidate handling with a custom portal for creating requisitions, providing interview feedback, and generating offer letters.

• Achieve a 94 percent candidate satisfaction level and seven percent reduction in new hire turnover.

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It’s not enough just to have data

Today, all aspects of business are data-driven. HR is no exception. But simply having data isn’t enough. We’re surrounded by data, which makes honing in on the right data vital to gaining the insights required to attract the right people, help them apply their strengths, and ensure they excel.

Before you start creating beautiful dashboards or tracking key indicators, ask yourself what data you really need to move the business forward. Ensure the data you’re tracking will help you make better decisions. If you’re not sure how the data can be used, you might not need it in the first place.

You have the right data, but can you count on it?

Another critical piece of the data puzzle is accuracy. As more organizations move to the cloud, or organize their own "right fit" of systems across HCM to meet their unique needs, teams begin to manually manipulate data from disparate sources.

Once your HR teams and business leaders know what data they need to drive informed decisions, make sure you have tools that can bring it all together in an efficient and reliable way. Your leaders need access to the right insights that will enable them to deliver on strategic initiatives — like pay equity or workforce diversity — with confidence.

Key Considerations:

The data and analytics challenge has shifted. It is no longer an issue of getting data. Now, it’s about getting the right data and putting it to work for you.

To use data effectively, look beyond the technology and think about how you’ll manage the organizational change required to create a data-driven culture — among business leaders, team leaders, and your HR teams.

Data can be at the center of nearly every talent process. For example, you may be trying to shift from annual performance reviews to continuous performance feedback. Planning a fundamental change like this is hard enough when it comes to practice and technology adoption, but preparing your people to actually use it is another challenge entirely.
Ask yourself....

- How will you gather and deliver anonymized 360 feedback? How will you interpret it?

- Are you equipped to reduce inherent bias to a minimum?

- How will performance ratings become tied to compensation? Will you still calculate and measure performance ratings?

- Will your managers hold more frequent catch-ups with their team members? Will this insight be recorded and used?

There’s no point in capturing data for data’s sake. When it comes to data and talent strategy, start with the end in mind. Then — and only then — will you be ready to put your data to work for you.
YOUR PEOPLE STRATEGY IN ACTION

Data-driven decision-making

The easiest way to make the right HR decisions is by following what the data tells you. That’s what the chief people officer at a leading management company wanted to empower the HR team to do.

With the help of analytics, benchmarking, and reporting tools, the HR team gained access to new insights and was able to compare performance against similar companies in the same industry, to continually grow efficiencies and stay competitive.

Overall, the organization and its leadership gained:

- Important insights into industry benchmarking and performance comparisons.
- Intuitive and user-friendly access to key analytics and reports.
- Improved decision-making based on actionable data.
- Access to important, real-time data on payroll, timekeeping, turnover, and more.
- More efficient and consistent HR and payroll processes.
- Simplified risk, liability, and compliance processes.
We’re here to help

ADP can help you connect people and work no matter where you are in your talent journey, and we’re here to help you transform your approach over time.

Whether you’re struggling to find and retain the best people, reignite your culture, transform your performance management approach, or communicate with your multigenerational workforce — we can help you evolve your talent strategy to meet your business needs.

ADP shares your passion for people.

To see how we’ve been helping other organizations, take a look at some of our clients’ success stories.

About ADP

Powerful technology plus a human touch. Companies of all types and sizes around the world rely on ADP’s cloud software and expert insights to help unlock the potential of their people. HR. Talent. Benefits. Payroll. Compliance. Working together to build a better workforce.

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