



An Existential Threat Lurks in the Data

As the global economy lurches toward recovery, talent shortages persist. According to <u>SHRM</u> research, nearly 90% of employers are struggling to fill open positions. Talent scarcity is driving up wages for workers at all levels, which in turn is pushing the <u>quit rate to historic highs</u>. What's even more frightening for employers is that as much as <u>48% of the U.S. workforce</u> is actively searching for jobs or watching for opportunities. These supply and demand issues are not new, and (as the population ages) they certainly are <u>not going away anytime soon</u>.

Why does this matter? When you can't fill crucial roles, your operations falter, sales teams can't execute, and your customers go somewhere that can.

The talent shortage is an existential threat to organizations everywhere.

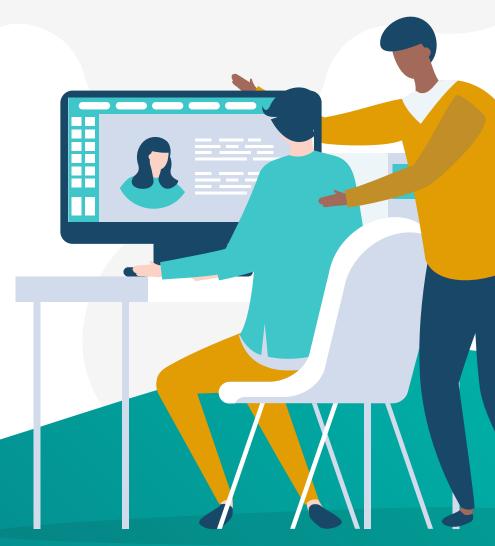


Your Organization Won't Survive by Recruiting Alone

Even the most efficient, technologically advanced, highly optimized recruiting function won't be enough (on its own) to close your talent gaps. Recruiting is, at best, a partial solution to this issue. Recruiting can only bring new people into your organization, but if you don't do anything to keep them there, you're going to find yourself backfilling those same roles over and over again. Furthermore, recruiting does nothing to address the broader issue of structural skills shortages in the labor market — it merely sends a signal that particular skills are in demand.

If it sounds like we're beating up on talent acquisition, we're not! We're just saying first-class recruiting alone is incapable of addressing the long-term talent shortages we're all struggling with.

We believe committing to learning and internal mobility is an essential part of a successful modern talent strategy because when done properly, it will increase engagement and retention and thereby lighten the load on your talent acquisition team. Finally, these programs can actively *fill* your talent gaps from within by growing the skills of your employees and enabling them to pursue the careers they want.



Give Employees What They Want; Get the Skills You Need

We believe one of the major drivers of the Great Resignation is that, during the pandemic, all of us underwent a major shock to the system. In the wake of jarring changes like this, people reconsider their lives and their careers at the most fundamental level. In this environment, people are more open to making major changes. It should surprise no one that our people are searching for better balance, more autonomy, or better career paths.

At this time, one of the most effective ways to retain your people is to shower them with development opportunities and **give them the autonomy** to pursue new interests within your organization.

Does a veteran account manager want to see what a career in the finance department might look like? Do you know a sales representative who wants to pivot into a marketing or account manager role? Giving your people the support and opportunity necessary to pursue new career paths from within is a powerful way to grow your internal supply of in-demand skills while

reducing turnover at the same time. In fact, according to <u>LinkedIn research</u>, 94% of your employees would stay longer at your organization if it invested in their career development.

To create and operate these programs at scale, however, an Al-enabled skills database is an invaluable tool for defining the skills your organization needs and tracking who is developing or has mastered them. The reason behind this is that it gives you a real-time view of your skills supply and it gives you the data you need to have more productive discussions in a recruiting and workforce planning context.

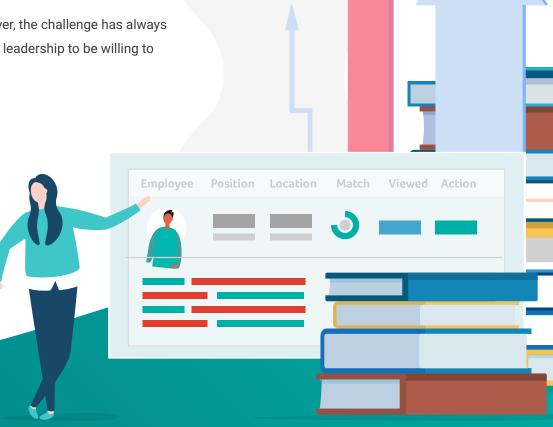


Internal Mobility as an Alternative to Attrition

Talent mobility is your talent development efforts coming to fruition. As your people gain new skills, you should *want* them to move around the organization so that their talents can be deployed where they're most in demand. Instead of losing a talented employee to a competitor, why not create a path for that person to pursue their passions and interests in another role internally?

Historically, internal hires cost less and usually perform better; however, the challenge has always been that internal mobility is a labor-intensive process and it requires leadership to be willing to break down silos.

Only now does the technology exist to automate key aspects of effective talent mobility programs. In particular, it has only recently been possible to provide HR, recruiters, employees, and hiring managers with visibility across the organization into the internal supply and demand of talent.



Integrated Talent Marketplaces

For your organization to fully reap the benefits of investing in career development and internal mobility, an integrated talent management platform is essential. As your people add new skills, your learning software must be capable of tracking and reporting on their development so that when a role that requires those skills is open, those employees are made aware that the opportunity exists should they be interested in applying for it.

Similarly, recruiters and hiring managers will no doubt want to know if there are any viable internal candidates for open positions. To make this happen, your organization needs an integrated talent solution where internal mobility, recruiting, talent management, learning, etc., are all working from the same skills and the same definitions of proficiency and mastery.

This approach makes it easier for HR and business leaders to see where their gaps are and close them. However, an integrated common language and ecosystem for skills will also heighten the employee experience and give

your people the knowledge and autonomy they need to to "choose their own career adventure." This type of platform makes it possible for employees to try different roles and experiences without leaving the organization.

Finally, an integrated talent mobility experience can also augment your performance management process. Most performance management platforms are not equipped to support the important coaching, 1:1 conversations, and goal-setting between managers and employees that will support upskilling and reskilling in preparation for new opportunities internally. However, when your talent mobility platform is fully integrated with the broader talent management stack, managers and employees have a transparent view of how developing new skills today may lead to a new internal role tomorrow.



Change Management: Answering the 'How'

What we're advocating here may require major change for most organizations. This undertaking may require employees, leaders, and HR to completely rethink their view of careers, development, and talent at your organization.

For talent mobility in particular, we recommend making a concerted effort to get leadership buy-in from the beginning. For many leaders and hiring managers, it may be challenging to abandon their natural tendency to "hoard" talent.

While it won't happen overnight, the right technology and (in some cases) the right partnerships with workforce transformation experts can be effective catalysts for building a culture that embraces talent mobility.

Effective change management:

- Brings stakeholders together early and engages them in dialogue, looking for constructive feedback
- Gets potential champions and cultural influencers involved in testing out technology and concepts to get feedback, iterate, and create buzz
- Experiments with pilot projects to hone processes and innovate along the way
- Doesn't treat the change as an event but an evolutionary, continuous process



Conclusion

The talent shortages of today are daunting, but not insurmountable. Recruiting alone isn't enough to solve them. Innovative organizations are already looking inward to close their talent gaps. Modern approaches to learning and internal mobility hold within them the potential to give your employees the career growth and autonomy they crave while building the skills and competencies your organization needs to execute on its strategy.

However, to bring these grand plans to fruition, your organization needs an integrated technology solution that creates space for your employees to play and explore their development while facilitating mobility throughout your organization. Your organization needs a common skills language and visibility into talent gaps to execute at scale.

Are you ready for a sustainable solution to talent shortages?

<u>Click here to learn more about how PeopleFluent can help.</u>



PeopleFluent

About PeopleFluent

As a market leader in integrated talent management and learning solutions, PeopleFluent helps companies hire, develop, reward, and advance a skilled and motivated workforce.

Deployed separately or as a suite, our software spans recruitment, talent mobility, performance, compensation, succession, org charting, and learning — tailored for either large or mid-enterprise organizations. We deliver unmatched functionality and flexibility, recognized by leading analysts, to develop people, drive performance, and deliver results.

Our talent solutions unify talent processes within a collaborative experience that enables HR and L&D teams to guide managers and employees with contextual learning — right in the flow of work.

A part of <u>Learning Technologies Group plc (LTG)</u>, PeopleFluent provides world-class service and an unparalleled ecosystem of partners to optimize employee experience, employer brand, and business results.

For more, visit peoplefluent.com.



