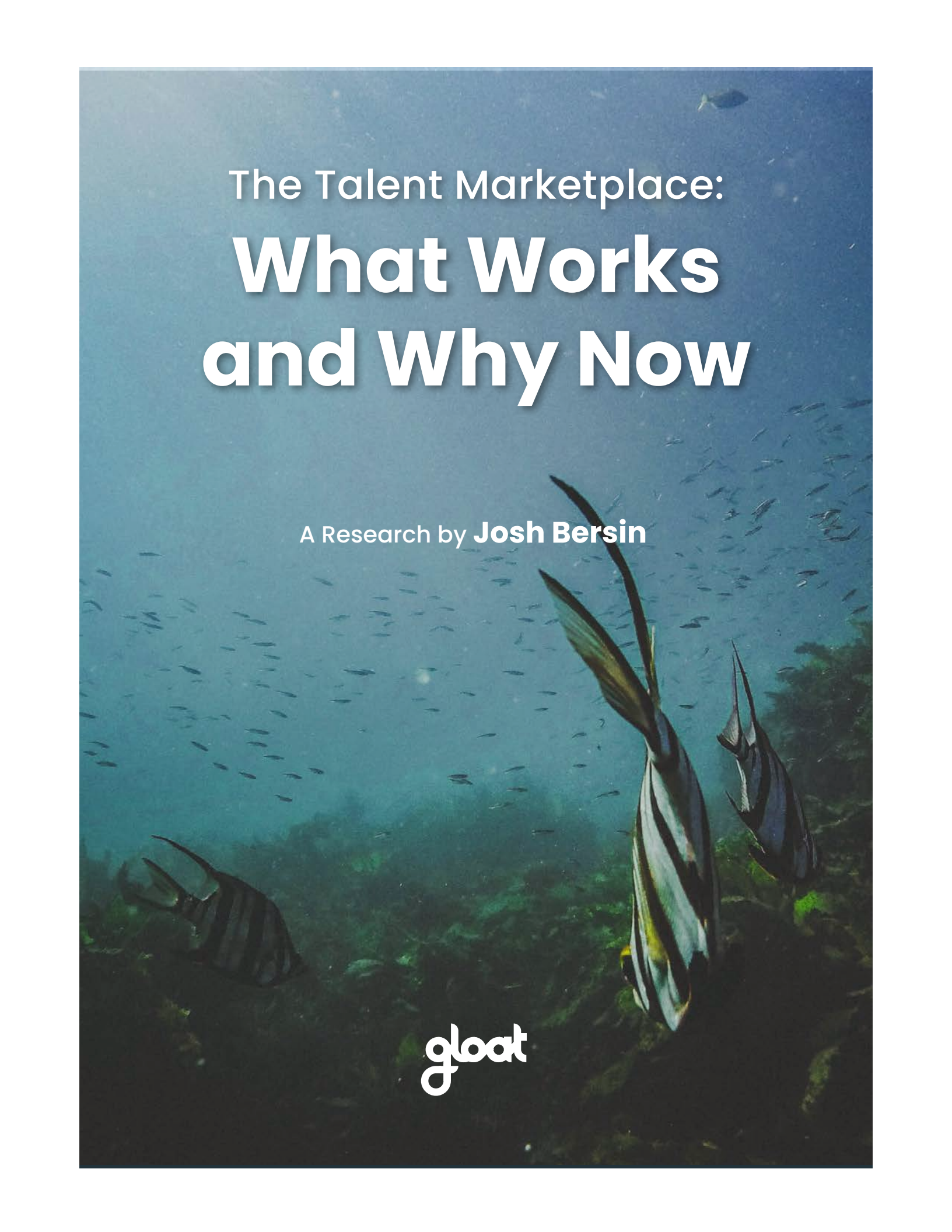




The Talent Marketplace: **What Works and Why Now**

A Research by **Josh Bersin**

gloat

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Introduction

At the height of the COVID-19 crisis, as the entire world was settling into self-imposed isolation, Josh Bersin was invited by Gloat to give an in-depth webinar on the Talent Marketplace. Bersin proceeded to discuss, analyze and explore the idea of this groundbreaking new technology, from its origins and up to its strategic value during the current pandemic.

The text you now hold in your hands is an edited version of Josh Bersin's talk – an abridged version for executives - that's been whittled down to the core ideas without the many examples, analogies and contextualization Bersin provided in the full-length discussion, in order to provide a clear, accessible source of the valuable information Bersin divulged in his webinar.

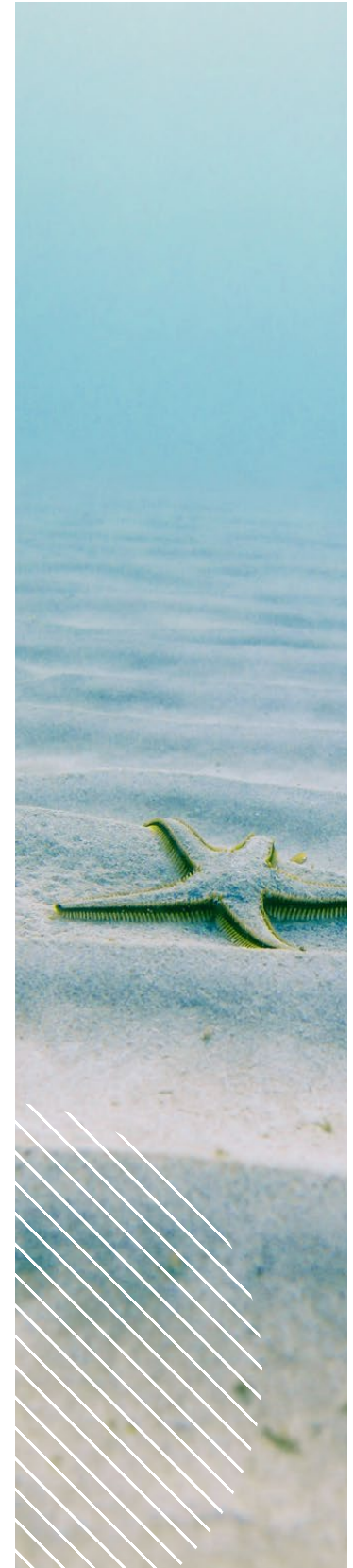


Executive Summary

As companies move from being functional hierarchies to networked organizations, HR practices and technologies must evolve to accommodate the new reality. It is now critical to allow for more networked agility and resilience because, as “Black Swan” events like COVID-19 and others demonstrate, companies who do this stand a far better chance of succeeding and thriving both during crisis and in the long term.

Using artificial intelligence to parse employee skills and capabilities, the talent marketplace allows employees to develop themselves and take ownership of their career by offering a wealth of professional opportunities to choose from within the company, while simultaneously offering managers optimal candidates for their projects and positions from an internal talent pool consisting of people already familiar with the company, its culture and its goals. This boosts the professional capabilities and personal engagement of employees, thereby bolstering the overall resilience of the organization. The talent marketplace also takes career growth and development into account, both enabling it and streamlining existing processes.

Bersin believes talent marketplaces provide amazing benefits for organizations that adopt them, and projects that they will become the center of HR management in the very near future. It is prudent to try and reap the relative advantages as early as possible.



The State of HR in times of COVID-19

“Let me just give you a little bit of perspective. This is where we were in January and February, and this is where we were in March:



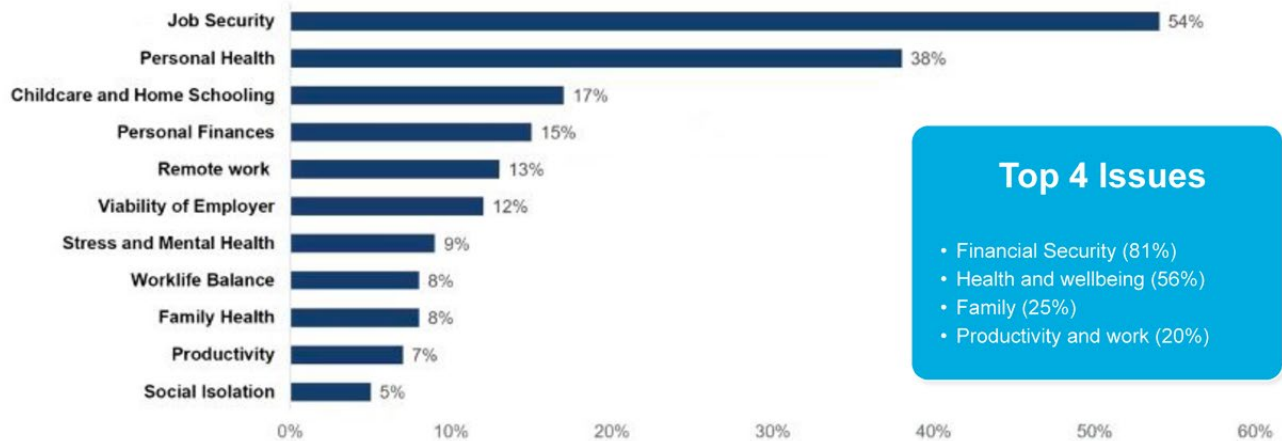
Obviously, we all fell off a cliff and suddenly realized that the number one issue on the minds of our employees in this crisis is their jobs. It's there. It's actually their financial security.

Top Issues On Employees' Minds

COVID-19
PULSE OF HR

joshbersin
cultureX
NOTES

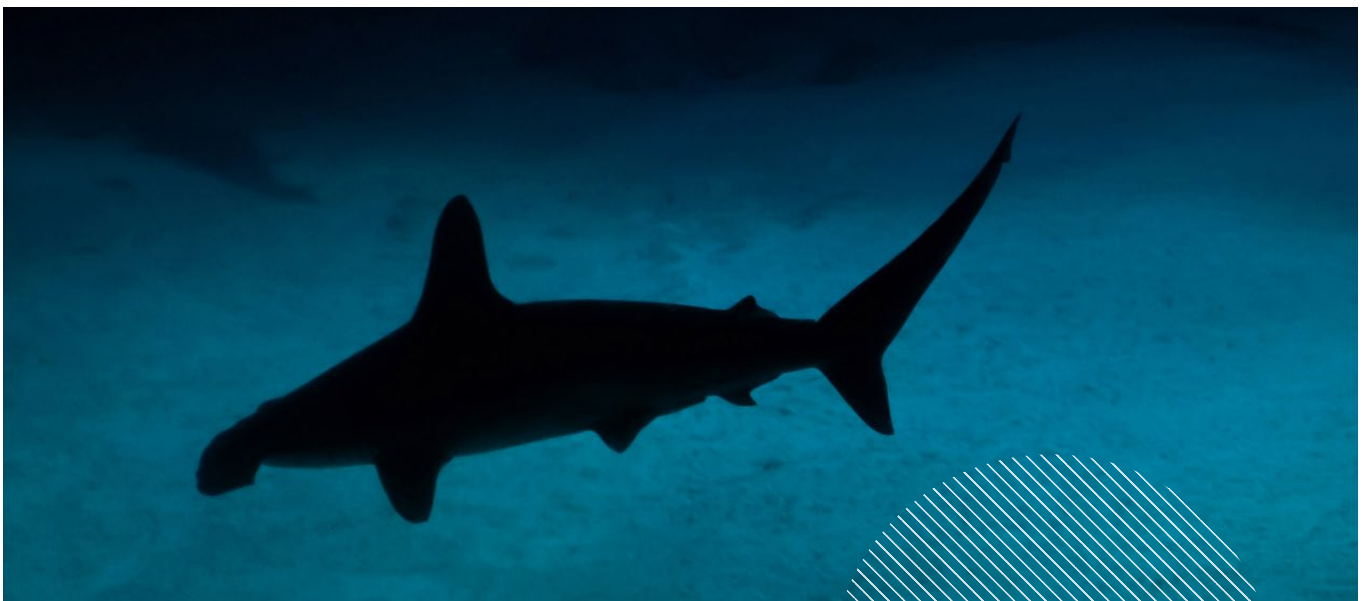
Top Issues Week of April 7, 2020



Top 4 Issues

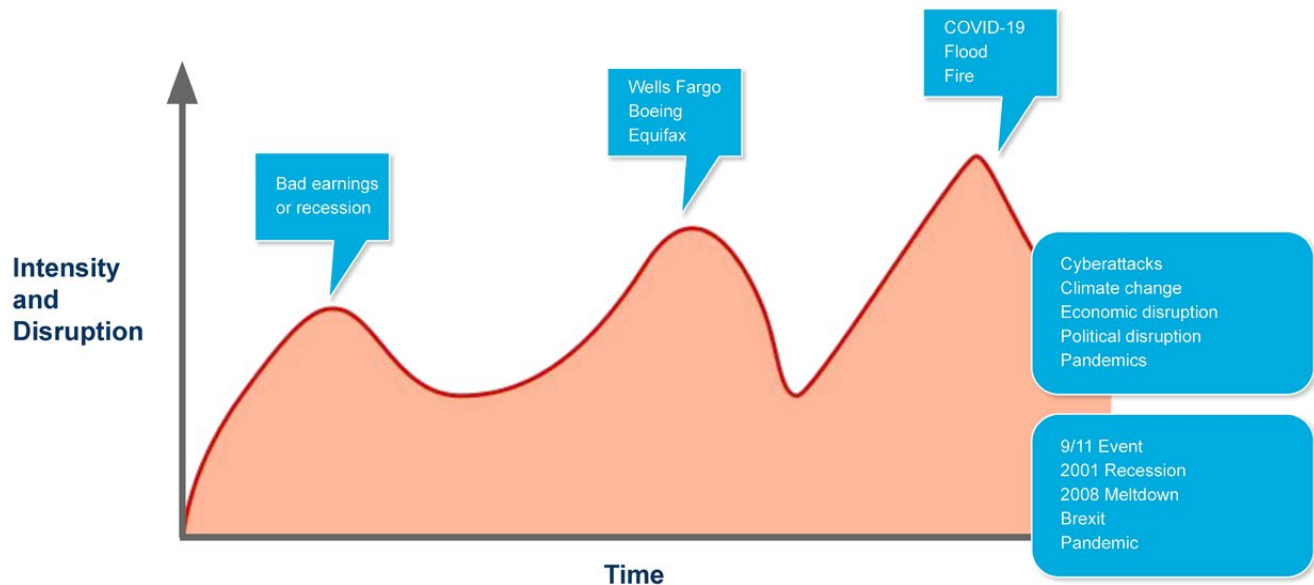
- Financial Security (81%)
- Health and wellbeing (56%)
- Family (25%)
- Productivity and work (20%)

Something changed in HR, and we need to respond. What hasn't been going as well is coordination. That's because, if you really think about the last 20 years of HR, you see we didn't design HR to be a real-time responsive function.



From Service-Delivering to a Responsive Function

Black Swan Disruptions Bigger and More Frequent



In my life, I went through the 1987 stock market crash, the 1989 fire in my neighborhood where I had to be evacuated, getting laid off in the year 2000, the 2001 stock market crash, 9/11... If you really think back, these kinds of events happen more frequently than you realize. This means we have to figure out how to create a more responsive HR function, and a more responsive company.

What we need to do is to think about the design point for all of your talent practices: about moving from being responsive to being resilient. From being efficient to being adaptive. We have to figure out how to move more quickly, because the business



depends on it. And we're going to find out in the next year or two which companies can move fast – and which companies can't. Some of the companies that can't simply aren't going to be around.

The Importance of People in a Service-Centric Economy

One of the companies I've spent a lot of time with the last couple of weeks is Emsi.

“

This is not a problem of job destruction. This is a problem of money moving from one place to another

”

Job Change Is Massive – 17+ Million Out Of Work

INDUSTRIES by % change in postings in March compared to January/February



INDUSTRIES with decreasing postings in March compared to January/February



Emsi Job Posting Analytics, 2020

OCCUPATIONS with increasing postings in March compared to January/February



Emsi Job Posting Analytics, 2020

OCCUPATIONS with decreasing postings in March compared to January/February



Emsi Job Posting Analytics, 2020

As of yesterday, there are 6.7 US million jobs open about 18% less than last year but still big.

Emsi collects all sorts of data on the job market, and we were starting to produce regular reports on this. What you can see is that in the last month there have been massive shifts in jobs. But right now, today, there are almost 7 million jobs open.

So this is not a problem of job destruction. This is a problem of money moving from one place to another.

Yes, we've had this massive economic stimulus, and there's a lot of people out of work, but people are still buying things. We still have a very high demand for consumption all over the world - it's just we can't consume it the way we did in the past. So all of your companies are moving towards services, to produce and deliver products in a safer, less physical face-to-face way.

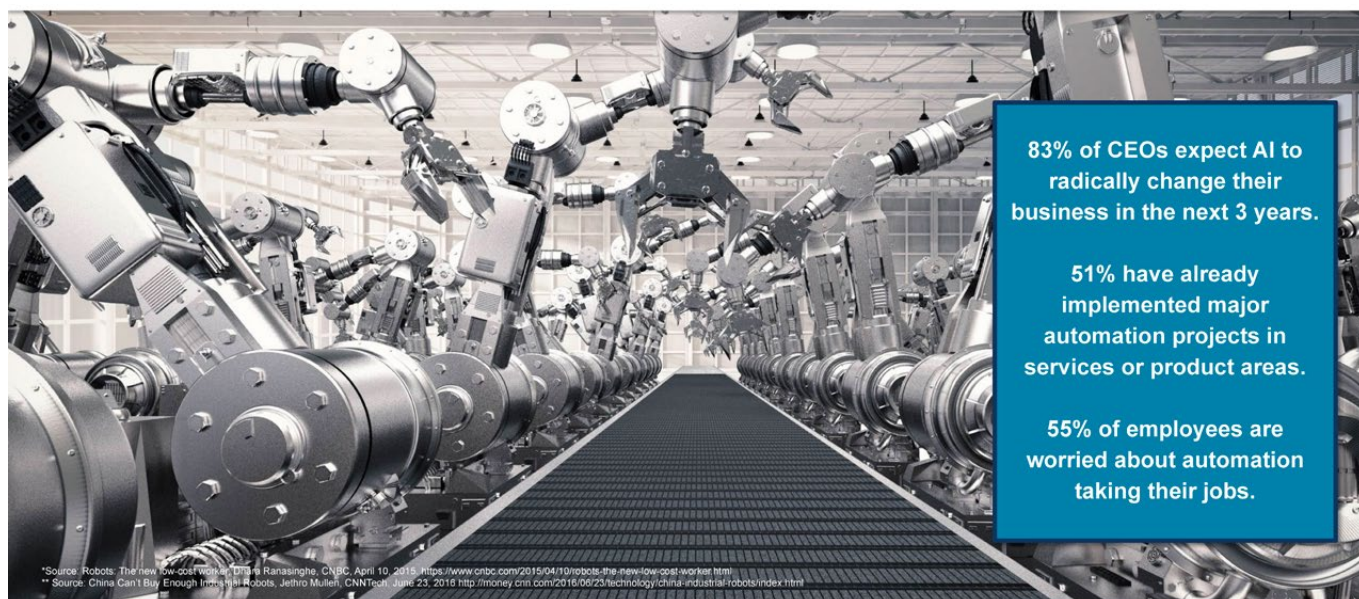
“

The economy has moved from manufacturing to services. This is a big economic issue, and it gets to the heart of why the talent marketplace is so

”

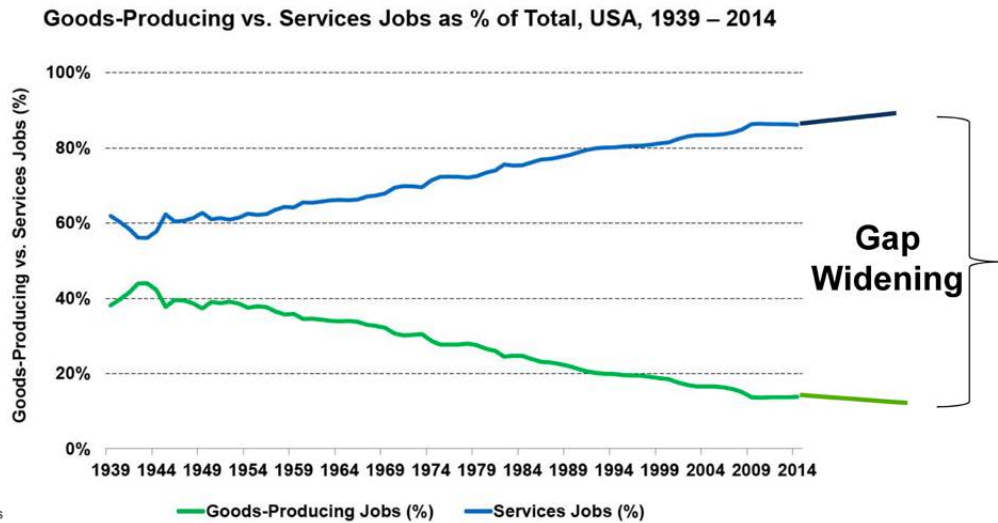
The Future of Work Before Covid-19

AI, Robotics, Sensors, Remote Work



This is really a redefinition of what we used to call the “future of work.” The economy has moved from manufacturing to services. This is a big economic issue, and it gets to the heart of why the talent marketplace is so important.

Shift to Service and IP-based Economy



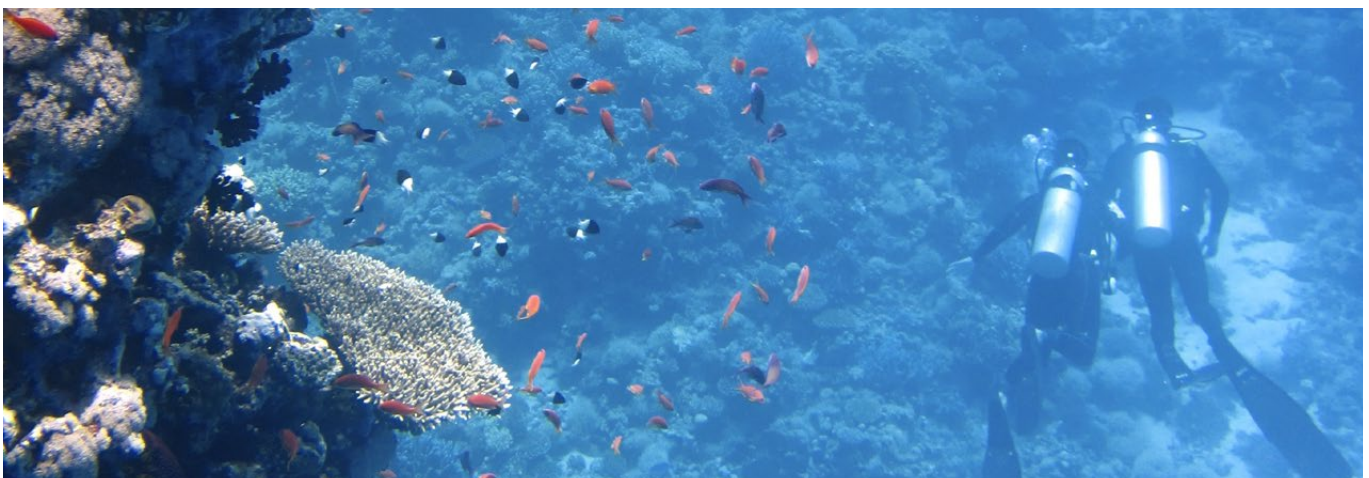
Source: U.S. Bureau of Labor Statistics
"Fully Grown" by Dietrich Vollrath

Managing people is complex, and so how we deploy people, how we move people, how we train people, and how we skill people is now the lifeblood of the company. Even more so in this crisis. And so what we're learning from the fourth industrial revolution and all this worry about AI is that the "people part" of the company actually still is the most important part. And so if we can't build more adaptable, agile talent models, we won't be able to keep up.

“

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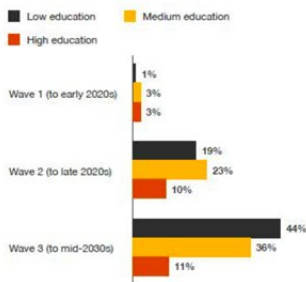
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Four Factors Impacting The Workforce

1. Increasing job automation

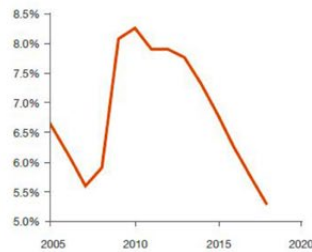
Percentage of existing jobs at potential risk of automation by education level across waves



Source: PwC, Will robots really steal our jobs? An international analysis of the potential long-term impact of automation

2. Decreasing talent availability

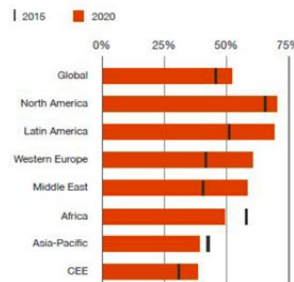
OECD unemployment rate (% of total labour force)



Source: OECD

3. Decreasing mobility of skilled labour

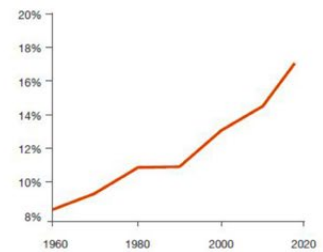
Is cooperation among gov'ts and businesses leading to greater movement of skilled labour between markets? (showing only 'no')



Source: PwC, 23rd Annual Global CEO Survey
Base: Global respondents (2020=1,581; 2015=1,322)

4. Ageing talent

OECD population ages 65 and above (% of total population)



Source: World Bank Group

Before the crisis, we were thinking about how to hire people, move people, deal with age-related issues, and how to address the increasing need for mobility. I'm going to talk about mobility in a minute, but the final thing I want to talk about before we get into the Talent Marketplace, is layoffs.

“

You can lay people off pretty fast. You can do it in a day or two. But you cannot hire them that fast

”



Layoffs: A Slippery Slope

NOKIA

Series of layoffs in 2008 and 2009 resulted in labor unrest and the company never really recovered.



2007 layoffs to replace workers with lower paid workers resulted in poor service forcing company out of business.

Auburn and Baylor study found that companies that survive layoffs are twice as likely to declare bankruptcy in next 5 years.

University of Texas study found that after layoffs surviving employees experience a 20% decline in job performance, and a 30% future increase in voluntary attrition.

In my 40-plus years of experience in the business community, I've learned that when things like what we're going through now happen, and you have to furlough people or lay them off, or move them from place to place, you can lay people off pretty fast. You can do it in a day or two. But you cannot hire them that fast. It will take you months to hire them back. Also, when people are let go the survivors are shocked by it. So the people that are left in the company lose about 20% of their productivity, just because of the fear that they're going to be next.

The second thing that happens is that people who are laid off usually leave the company with a negative feeling - and they don't want to come back.

I talked to some aerospace HR executives, because the aerospace industry is very famous for these enormous ups and downs. They've done studies that show that roughly 20%

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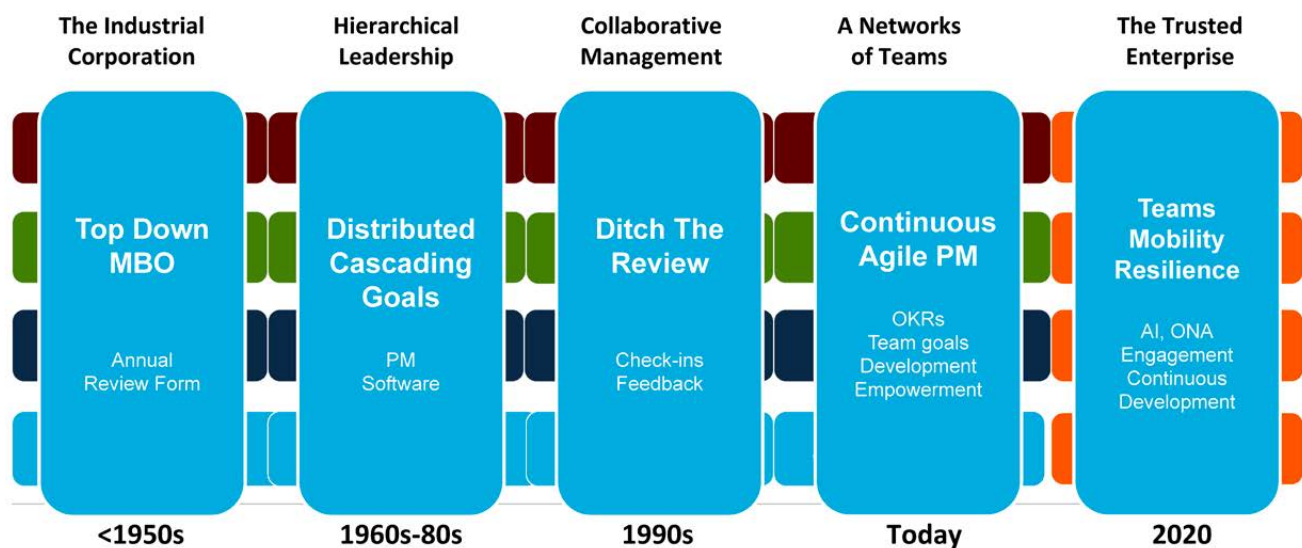
20% to 25% of the employees who are laid off say they will never come back to this company again – and would probably never buy from that company again,

”

to 25% of the employees who are laid off say they will never come back to this company again – and would probably never buy from that company again, either. So if you can find a better solution, if you can find a better way to move people and keep them happy and keep your business operating well, you're going to be better off.

The Organization of the Future

Management Philosophies Have Changed



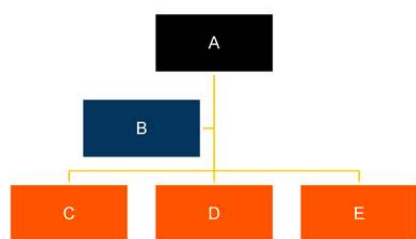
This is a picture of performance management. To me, performance management is a little bit like the canary in the coal mine. It tells you what the philosophy of the company is. Back in the days of Jack Welch, when GE was turning itself around and everybody was copying their management practices, it was the “up-or-out” model. You either get promoted, or you go sideways - or you're gone.

Welch did a lot of letting people go to reduce bureaucracy. But during the last economic cycle we tried to move away from that, towards a more distributed form of goal management, reducing the impact of reviews, becoming more developmental, giving people more feedback, doing more continuous development - and we landed where we are, where the company now operates as a network.

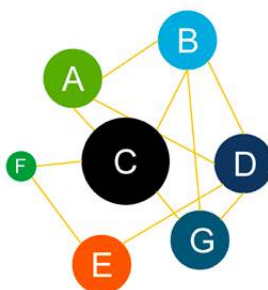
to 25% of the employees who are laid off say they will never come back to this company again – and would probably never buy from that company again, either. So if you can find a better solution, if you can find a better way to move people and keep them happy and keep your business operating well, you're going to be better off.



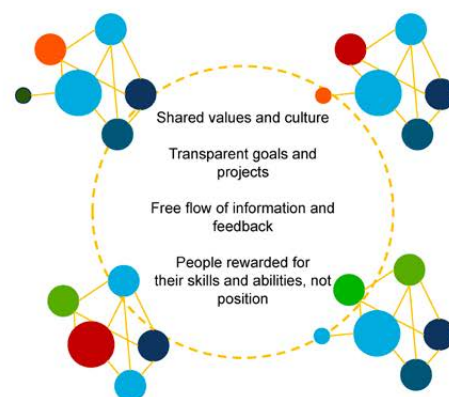
The Organization Of The Future Has Arrived



**How things
were**



**How things
"are"**



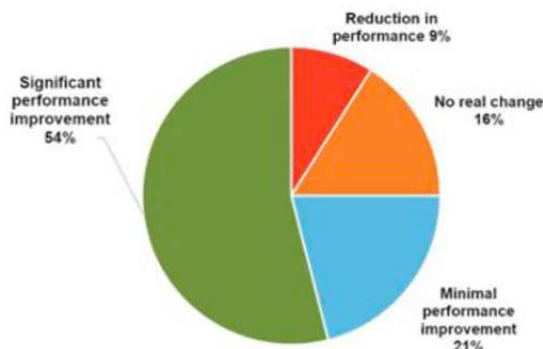
How things work

In 2016, I was at Deloitte, and we surveyed close to 10,000 companies on their organization model. 96% or 95% of them said, "we're a functional hierarchy."

Two or three years ago we carried out the same survey, and 35% of the companies said “We’re a network. We operate as a network. That’s the way we run our company.”

Pitney Bowes – a company who does mail sorting and mail distribution - run their organization around “pods” of workers, for instance. Retailers operate this way, and many, many other companies operate this way. But have we built the talent practices around it? Not yet.

Companies Find Team-Based Work Improves Performance



But Still Struggle With Implementing Talent Practices



2019 Deloitte Human Capital Trends, n=1,200+ organizations, publishing in 2019, BetterWorks July 2019

What most of the research finds is that network-based organization models make sense, especially during times of crisis. We need to coordinate, while we empower people to operate at the edges, in the field, where things are happening. But we are not very good at it, yet.



▪ Readiness is Low:

Only 41% of companies believe their leadership development quality is high and this has not changed since 2011.

Fewer than 20% believe they have a strong bench for the future.

▪ Investment is Available:

All CEOs want to invest more in leadership development, but few believe in improving the work-life balance of managers.

New Capabilities Needed:

- | | |
|-------------------------|-------------------|
| ▪ Thriving in a network | ▪ Driving results |
| ▪ Customer focus | ▪ Trust |
| ▪ Driving results | ▪ Fairness |
| ▪ Building a network | ▪ Team-building |
| ▪ Technology acumen | ▪ Curiosity |
| ▪ Learning culture | ▪ Growth mindset |

Microsoft's New Leadership Model

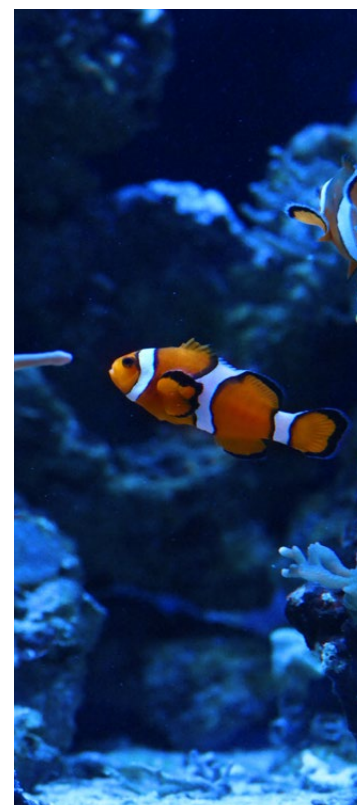
- Provide Clarity
- Generate Energy
- Drive Success

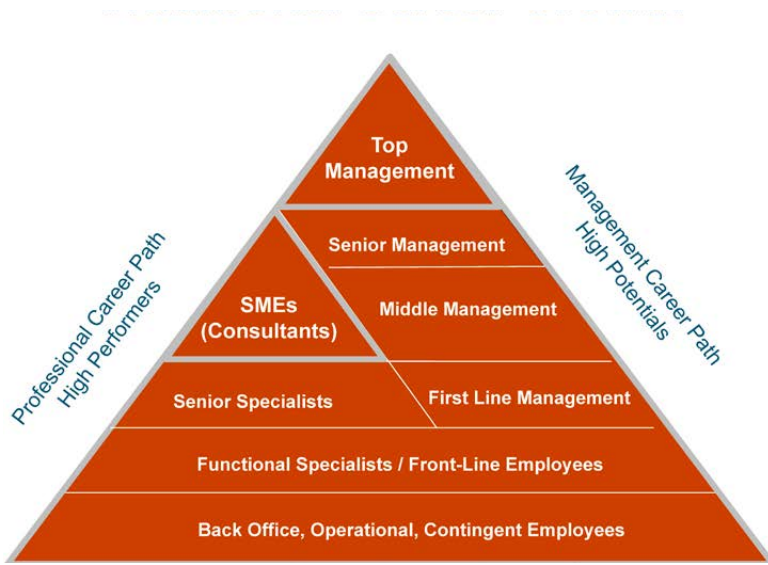
This leads me to the topic of the talent marketplace.

Career Growth: Traditional vs. Actual

A lot of companies build their career and progression models around the pyramid, and the pyramid was designed because we basically had labor, and we had management. Labor did the work, and management directed it.

You had an opportunity in a company to move up the channel on the left as labor - as a subject matter expert, or an individual contributor, for instance - or move up the right as a manager.

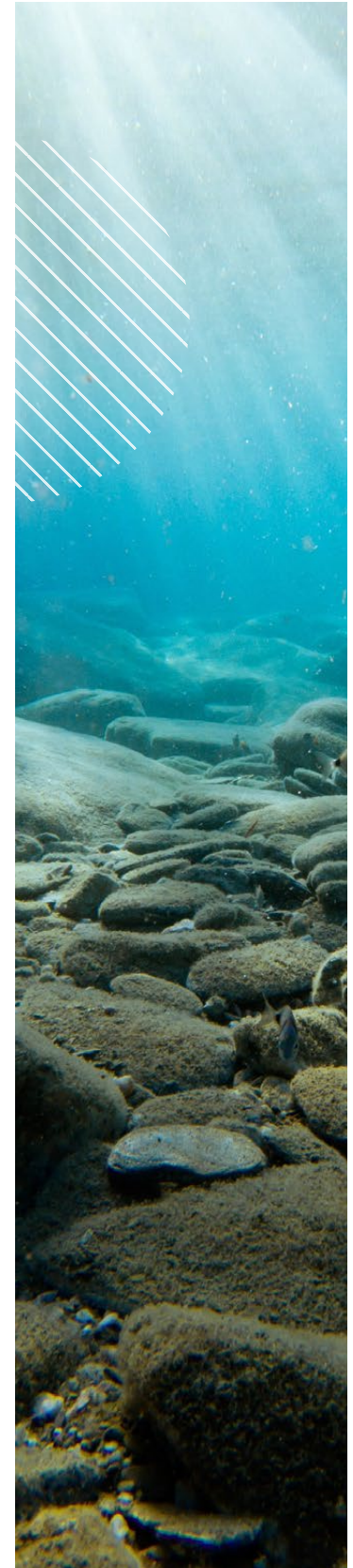
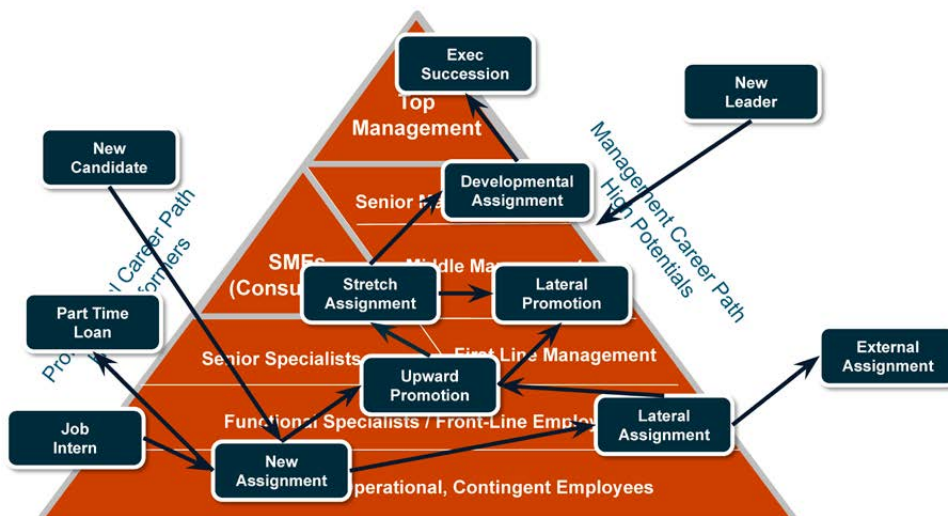




As you can see, the manager track went higher up. So you could make more money if you went into management.

So most of us went into management, even if we didn't really know if we wanted to. We tried it, and we may or may not have found that it was a good idea. And in the process of doing that, what we found was that actually, it never really worked like that.

In most companies, it looked a lot more like this, where we traversed the organization over time,



and did all sorts of other things, and we learned that external assignments, developmental assignments, stretch assignments, lateral promotions, getting loaned to other companies, working outside the organization - were all incredibly good developmental experiences.

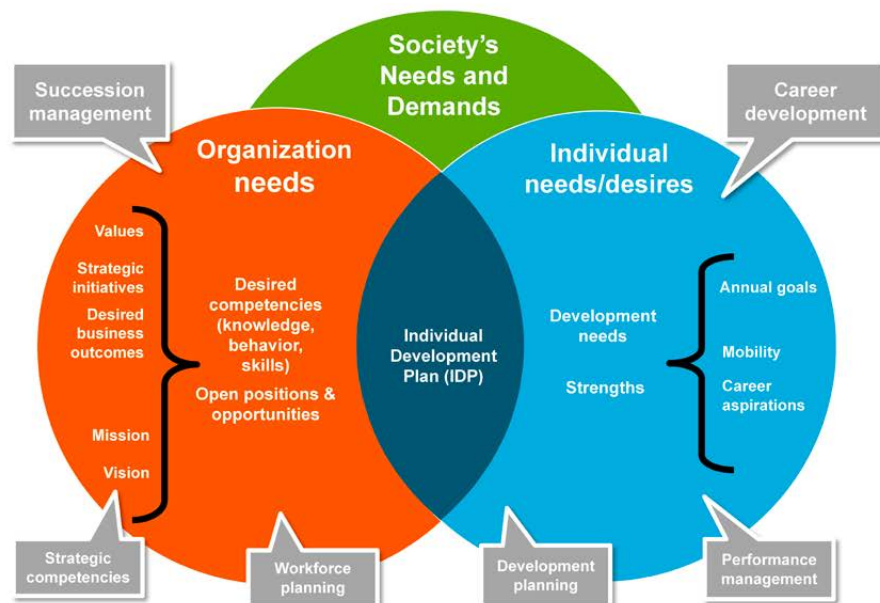
Studies show that the people that are the most successful are not the people that specialized early, but actually those that jumped around a lot and tried a lot of different things.

This is because they developed situational awareness, context perspective, they learned things about adjacencies in their careers that they never would have learned if they had stayed on one set path. So the research that is coming out now is showing that the real world of progression and career and growth is more like this:

“

People that are the most successful are not the people that specialized early, but actually those that jumped around a lot and tried a lot of different things

”



It's really a marketplace. It's really a matching game of individuals; figuring out what they want to do with their lives, their careers, their time, their jobs, and matching that to what the organization needs.

It used to be that development planning was more of a backwater afterthought people did at the very end of the performance management process - but actually, this is what makes companies succeed, because in the world we live in today, especially with COVID-19, the traditional model that a manager manages your career just doesn't work.

“

In the world we live in today, especially with COVID-19, the traditional model that a manager manages your

”

Traditional

Career development means <i>upward progression</i>
New positions are offered to me
My manager helps me plan my career
Development focuses on <i>senior leaders</i>
My manager decides when I am ready for a new position
Taking a new assignment can be risky



Today

Career development means <i>growth through new experiences</i>
I seek out and find new opportunities
My manager, mentor, and others help me find job opportunities
Development is available to <i>everyone</i>
I decide when I'm ready to change roles
Moving to a new position is respected and considered key to growth

First of all, managers don't know everything that goes on in the company. That's really not their job. Their job is to manage a project or a team, as many of the agile organizations have learned.

In the organizations of the future, managers manage projects - people manage themselves. So we need a model where people can find and identify the jobs they want. It's just like a real marketplace. That's why the word "marketplace" is so valuable. But how do we get there from here, and what are the paradigms that have been in the way?

“

So we need a model where people can find and identify the jobs they want. It's just like a real

”

The Repressing Paradigms

The big paradigm that I think holds companies back, is the idea that talent is scarce.

Old: Talent is Scarce

- Annual performance review
- Annual development plan
- Periodic development activities
- Job move every 2-3 years
- Promotion every 4-7 years
- “Up or out” model of career

New: Talent is Abundant

- Continuous performance discussions
- Ongoing development planning
- Development in the flow of work
- Assignments on a frequent basis
- Horizontal growth with promotion
- Everyone has unlimited potential

Many of the HR practices are built around this idea: we can't afford to move people around a lot, because we need to keep them in the jobs they're in; We need to give them time to develop the skills they need; Managers will be penalized if people leave their group, because it will interrupt their flow of the business metrics they rely on, and so on.

Succession Management Limits Your Thinking



What we're learning is that we've got to move beyond the traditional models of succession replacement, to moving people based on organizational needs, and getting out of these boxes at the bottom.



Reallocating People To New Roles

Old: Talent is Scarce

Performance Management
Succession Planning
Talent Reviews
Role Changes
Moves and Transitions

New: Talent is Abundant



Talent Marketplace

Dynamically matches buyers (hiring teams) with sellers (employees and staff)

Frees up project and gig work, empowers company to quickly adapt.

Today the old process is far too slow to adapt to rapid change.

None of the things on the left side of this chart are going to disappear, but they're going to be used in a more limited way, because most people will not become a High Potential Employees. I know for a fact that one of the world's largest retailers is getting rid of the idea of a HiPO, because the problem with the HiPO idea is that it promotes bias discrimination. It implies that some people have a lot of potential and some people don't, and I just don't believe that's true.

I think most people now realize that everyone has enormous amounts of potential in the right job, under the right conditions, with the right level of support. And so the new idea, which is what Gloat has really brought to market, is that we can create an internal marketplace for talent, that dynamically matches buyers - people looking for talent - with sellers - people selling their time, or, in other words, employees.

“

The problem with the HiPO idea is that it promotes bias discrimination. It implies that some people have a lot of potential and some people don't, and I just don't believe that's true

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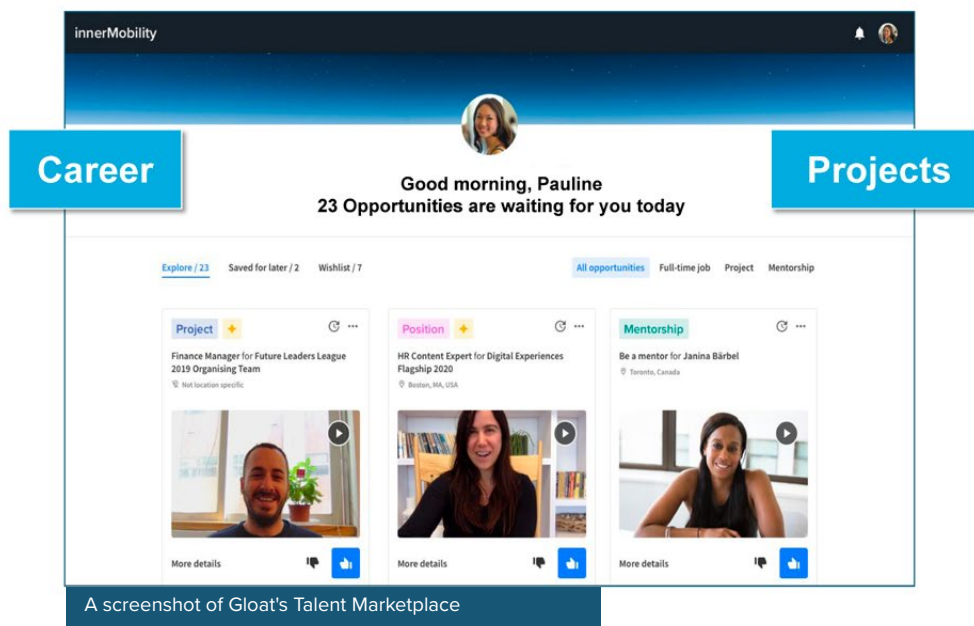
The Talent Marketplace

The idea of the talent marketplace is that every employee goes into this system, curates their profile, fills it out and makes sure that it's up to date, and does some assessment of their interests. Then, people looking for help, whether they be projects or full time jobs, post opportunities in the same system.

“

If you really think about what the Talent Marketplace is, that's the center of talent

”



This is not just about adding a few more coding lessons. It is about fostering critical thinking, independent problem-solving, and lifelong learning that can help people adapt to change.”

- Christine LaGarde

One of the feeds to the talent marketplace is the applicant tracking system. The applicant tracking system is the formal way a job request gets opened, and then typically published to the outside world. The way most of the implementation of Gloat's Talent Marketplace works is that all those jobs are published inside the company network.

What the Gloat system then does is use as much intelligence as it can to recommend jobs, projects and gigs to employees, and counterbalancing that, give hiring managers or project leaders qualified candidates.

If you really think about what the Talent Marketplace is, that's the center of talent management - if you can get it to work. And that's why it's so significant.

Mobility Models

Three Broad Options For Talent Mobility

Planned	Facilitated	Agile
• Linear career paths • Planned and managed • Functional in nature	• Vertical and horizontal • Facilitated, not planned • Based on aspirations	• On-demand need-based • Changeable quickly • Gig and project oriented

Pros and Cons

+ Easy to understand, Modeled in job market	+ Supported by leaders, Fits succession needs	+ Badly needed today, New model of work
- Long time to build, may Become out of date	- Requires cultural shift, Changes role of manager	- Demands new systems And new company culture

Processes Needed

Development Planning	Development Coaching	Transparent workforce plan
Self assessment, clear career goals	Self-assessment, Purpose and direction	Developmental need Current passions

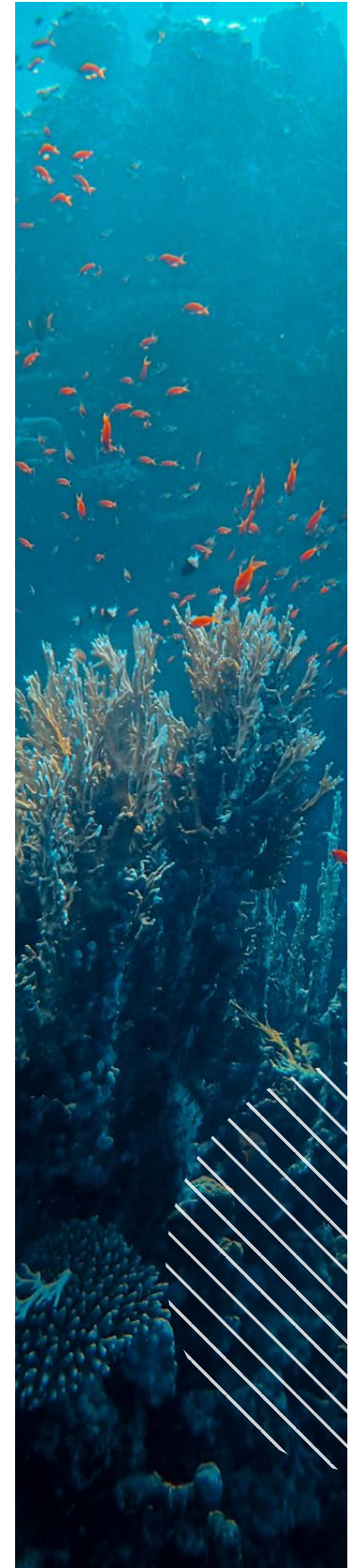
Let's go back in time to career management circa 2006-2007.

We did a big study of career mobility and career management in 2009. I was looking through it and it was mostly about the blue. It was about creating linear career paths, redoing or updating the job architecture, creating functional steps in determining, job by job, role by role, function by function, what it would take to move to the next level. Those projects were - and continue to be - incredibly important. As you can see on the left, they're easy to understand, they make sense to employees, they make sense to managers. But they take a long time to build, and they become out of date pretty quickly - so you've got to stay on top of them - and they require development planning and career goals to be effective.

The second model of mobility is what I call "facilitated mobility," where you have planned and directed paths, like you do in the blue, but you also have a system where we can pick somebody up and move them from place to place, and there's facilitation through executive alignment, through talent reviews, through critical job needs, where we can move people out of the system and we can bypass the career miles on the left. Finally, the third model is what I call "on demand," and this is where most of you are today.

If you're going through a massive change, whether it's a re-org, merger, acquisition, or even the current crisis we're going through, you find yourself saying, "Oh, we got 150 people we need to move over into this new

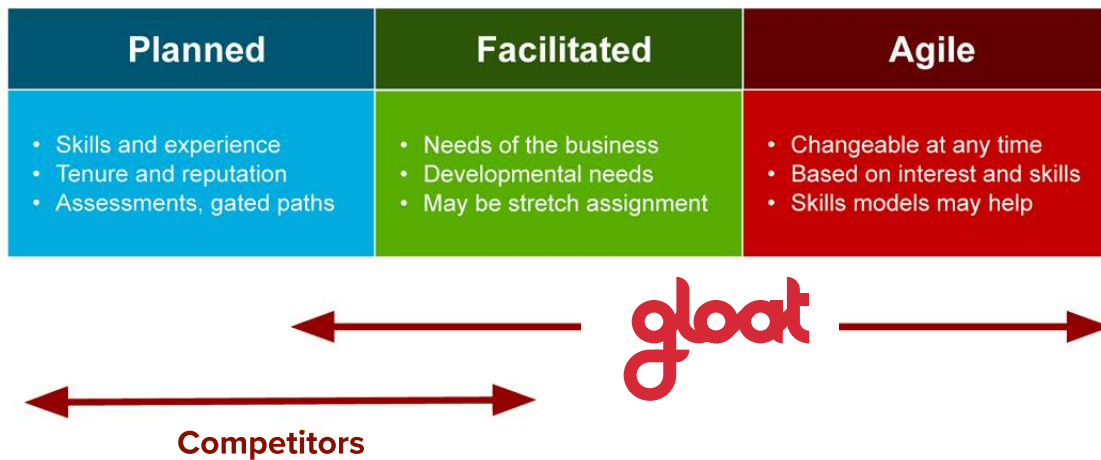
department! Where are we going to find them? Let's pull the report out of Workday and see if we can figure out who's available. And then we have to actually go find all of these people, and assess them."



Now, all of these things are happening at the same time.
What Gloat did was different.

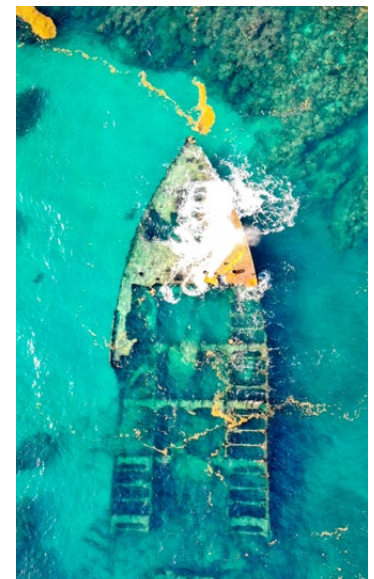
The Gloat Talent Marketplace

How The Models Compare



Essentially, if you try to do the stuff on the left, there's a lot of tools that do that. Every HRMS, HCM, system LMS - have all been designed for that.

But most of the work you find in the blue box is on you, not really on the software. It's rationalizing the job architecture, it's determining what the paths are through internal conversations and going through these projects. I've talked to quite a few companies who've done this. It's about a two year project, and it's a good exercise because you learn a lot about the job roles and the job progression in the real work that's going on inside of your company – but it won't keep up.



Gloat basically said, “We’re not going this way. We’re going to start on the right, and then go to the left.” Since Gloat’s technology was based originally on recruiting, it essentially does the planning part using AI: it takes out the manual labor previously required for it, and does it automatically.

How does it do it? There’s a lot of pieces to it, and to some degree, this is a chart you could be showing to the head of talent acquisition in your company, because internal mobility and talent acquisition are very, very similar.

Matching People and Opportunities

There’s really four things that have to happen in a talent marketplace.

First, individuals have to offer up their skills. So there’s a profile and then Gloat pulls in all sorts of information from other systems that can pull it from the ERP. They can go in and improve the skills profile individually, they can take assessments, they can categorize their experiences, and so forth.

Then there’s a discovery and matching algorithm. This is really where the magic of these tools is, and what other vendors still don’t have.

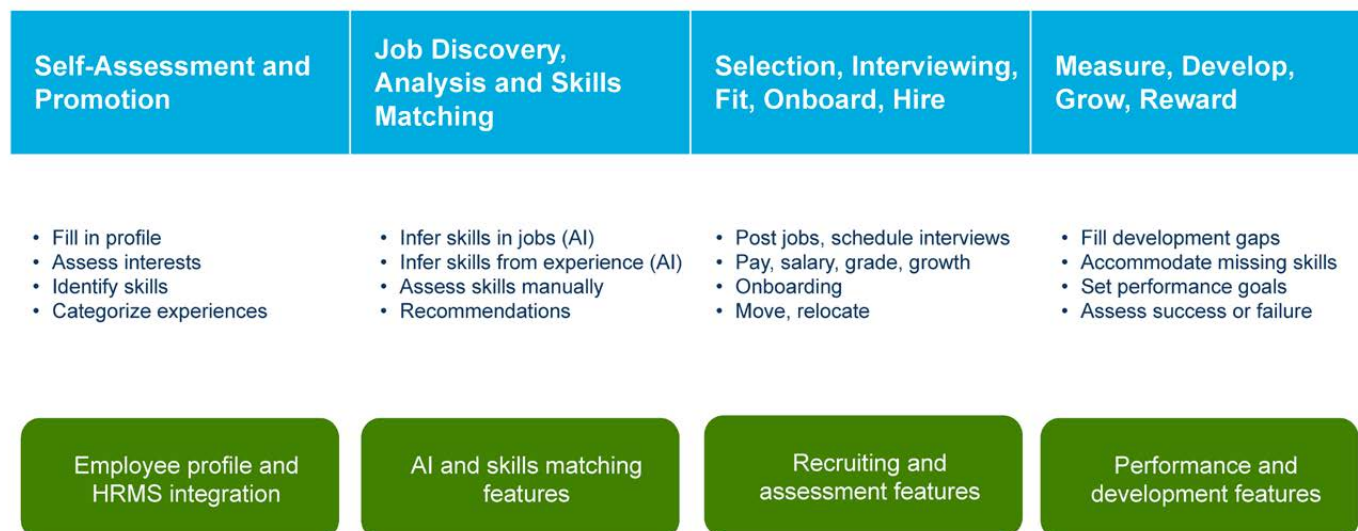


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I think Gloat is probably two, two and a half years ahead of other vendors, having done this for quite a while

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How Do We Match People To Opportunities?



I think Gloat is probably two, two and a half years ahead of other vendors, having done this for quite a while.

What Gloat does is actually harder to do than you think, because if you really think about your individuals' skills as an HR person, the job description has a lot of words in it, but it doesn't always say the exact skills that are needed. It takes some fairly intelligent Natural Language Processing to take what you have written down in your resume and match it to a job. The skills problem is not a skills taxonomy problem - it's a word matching problem.

Does the word "Java" mean the same thing as "software engineer," for instance? What is the relationship between those words?

And then there's the issue of what is the experience you've had.



I personally believe that experiences are a much better match than trying to infer skills. What proves and generally demonstrates success is cognitive ability and the experience that this person has had, not what certifications they had and what tests and courses they took.

Number three is the process of fitting the person to the job and onboarding them. You all know this very well; getting a job is just the beginning of the problem, so the talent marketplace has to have some amount of features to make sure there's a good fit.

The Challenges Behind a Talent Marketplace

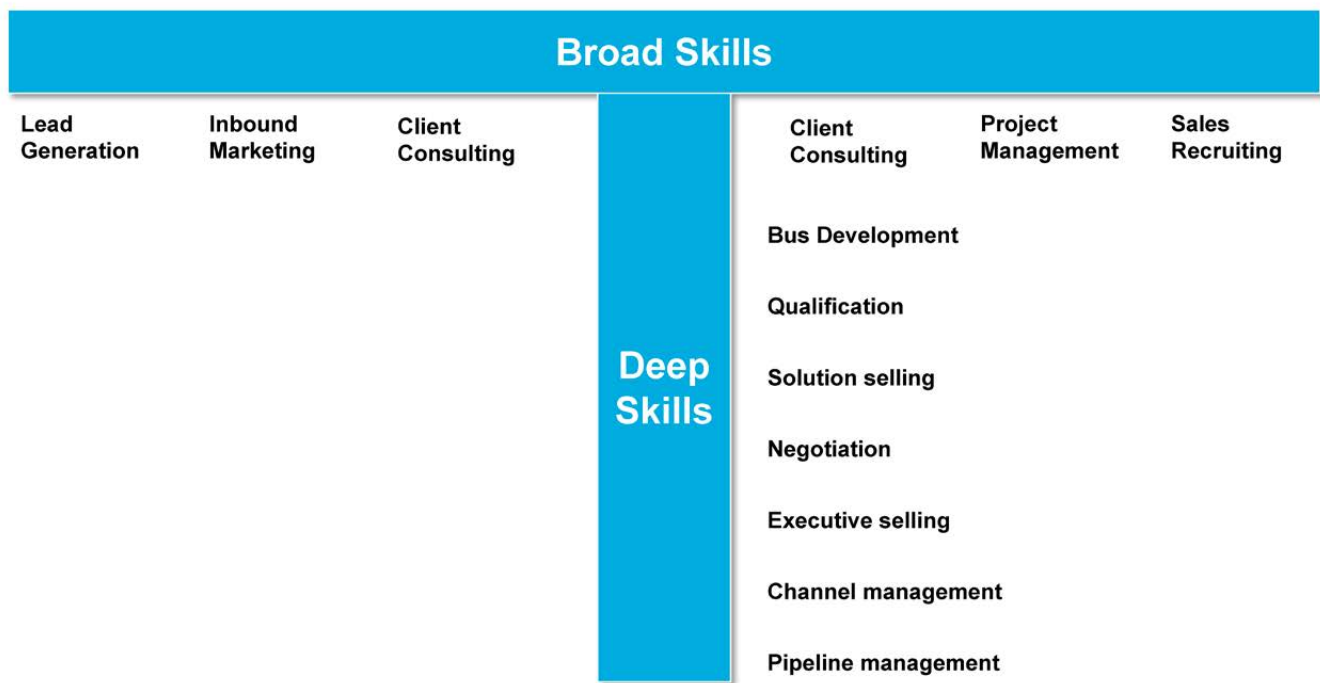
Finally, there are the questions of “am I going to get paid for this?”; “Is this a full-time job or a part time job?”; “How does this relate to my career?”

In some of the implementations of Gloat, the gig work is ad-hoc as needed. That's how Schneider Electric does it, for instance. In Unilever it's more of a full-time thing.



T-Shaped Skills and Full-stack Professionals

Developing T-Shaped Skills



This is an example of a T shaped skills model for sales-roles, and what you'll find is that some of the skills are deep, and lacking them becomes a blocker to a hire. Next to them, there are broad skills - ones that managers would argue are nice-to-have, complementary skills. Gloat builds its platform to help you with this.

What's happening today is that jobs are becoming more hybrid. Basically, every job that starts narrow becomes broader over time.

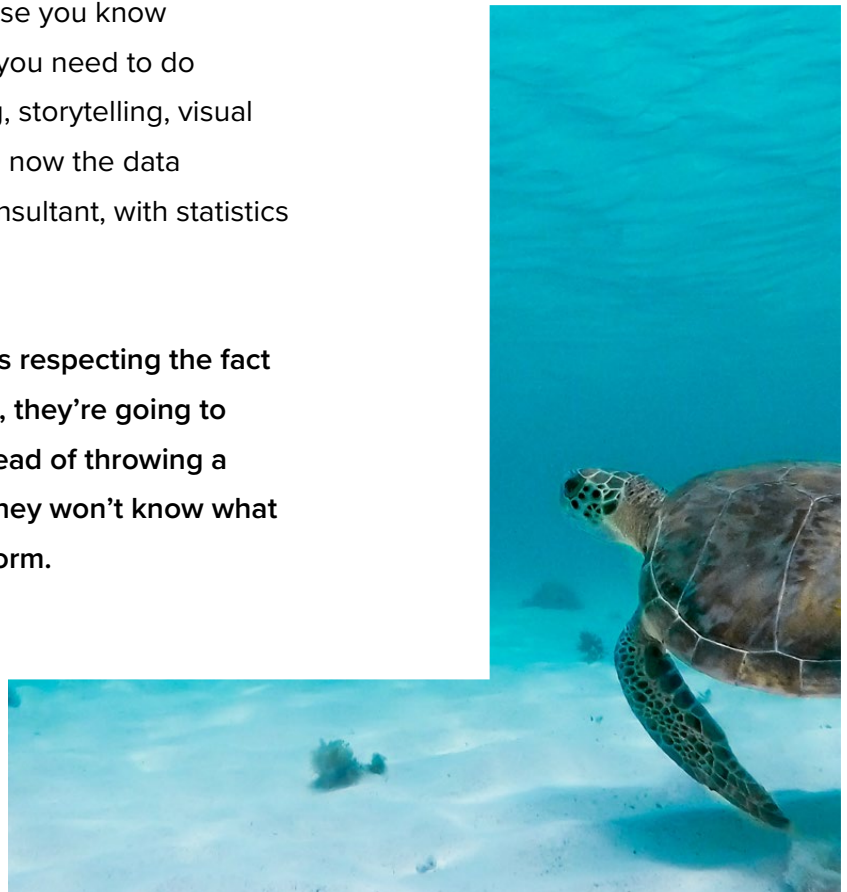
Developing HR Capability: *The “Full Stack” HR Professional*

Five Families of Skills, Six Dimensions to Mastery



You start a job as a data scientist because you know how to do statistics. Then, you find out you need to do experimental design, hypothesis testing, storytelling, visual communications, even consulting! - and now the data scientist’s job looks more like a data consultant, with statistics done by the platform.

A huge part of the talent marketplace is respecting the fact that over time, as people move around, they’re going to develop more complex skills - and instead of throwing a whole bunch of learning at them that they won’t know what to do with, it’s integrated into the platform.



Talent Marketplace Turns Business Critical

Adapt: Talent Marketplace Is Business Critical

TECHNOLOGY

Gearing Up for the Cloud, AT&T Tells Its Workers: Adapt, or Else

By QUENTIN HARDY FEB. 13, 2016



Harvard
Business
Review

AT&T's Talent Overhaul

by John Donovan and Cathy Benko
FROM THE OCTOBER 2016 ISSUE

Having built the United States' telegraph and telephone infrastructure in the last century, AT&T could once claim to be the company "where the future was invented." But now the Dallas-based firm, like many in the technology sector, faces a future in which its legacy businesses are quickly becoming obsolete. With its industry moving from cables and hardware to the internet and the cloud, AT&T is in a sprint to reinvent itself.

The overhaul presents an enormous HR challenge. AT&T employs about 280,000 people, most of whom got their education and foundational job training in a different era. The average tenure at the company is 12 years—22 years if you don't count people working in call centers. But rather than hiring new talent wholesale, AT&T has chosen to rapidly retrain its current employees while striving to engender a culture of perpetual learning. One of us (Donovan) is championing this effort at the company.

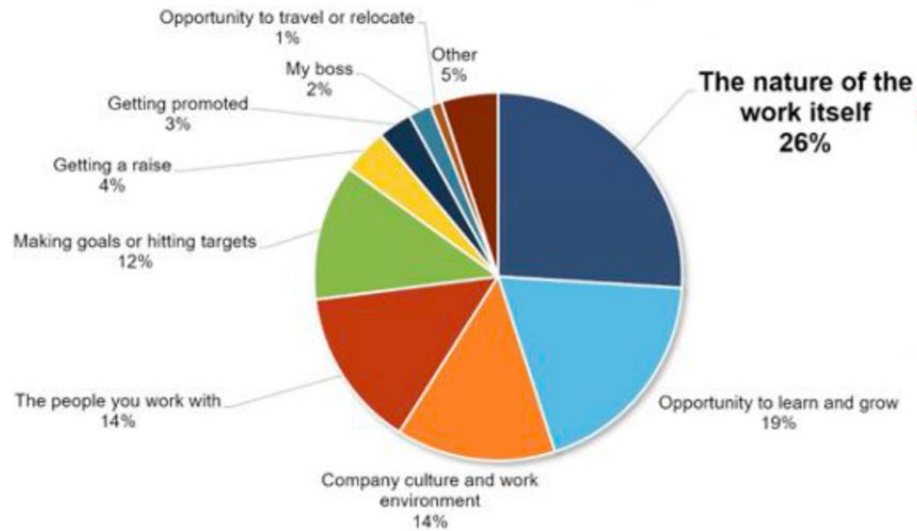
AT&T isn't alone in its need for new skills. In a recent Deloitte survey, 39% of large-company executives said they were either "barely able" or "unable" to find the talent their firms required. But AT&T's gambit to reeducate its enormous workforce is without precedent. Tens of thousands of jobs, billions of dollars in shareholder value, and the future of one of the most iconic brands in corporate history are at stake. If AT&T

11 The New York Times, Feb. 13, 2016

This is a four year old article about AT&T. Such companies go through massive technological revolutions. Most of them own huge media businesses now. They have enormous needs for data, the technologies under the covers are changing all the time, and so they cannot survive without this adaptability and continuous, integrated learning. This is one of many reasons that the talent marketplace is now business critical.

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Companies cannot survive without adaptability and continuous, integrated learning. In parallel, employees genuinely like it, making the Talent Marketplace
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What Is The #1 Thing That Inspires You To Be Happy And Work Harder?

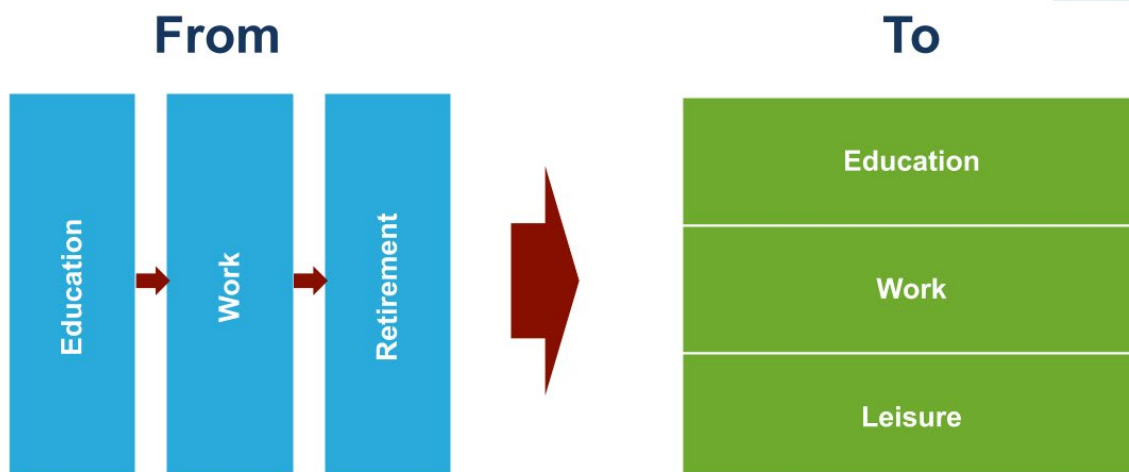


The right job is twice as important as culture and four times more important than money

N=2,800 professionals, Fall 2018, Bersin and LinkedIn Research.
<https://www.linkedin.com/pulse/want-happy-work-spend-time-learning-josh-bersin/>

Andrew Saidy, VP Talent Digitization at Schneider Electric, said that nearly 50% of the people that leave Schneider Electric did so because they couldn't find the job they wanted. This research shows that when you give people the opportunity to find the job they want, they're happier, which of course makes them more engaged.

The Personal View of Careers



The third element strengthening the criticality of the talent marketplace, is longevity. As we live longer lives - our children will easily live into their hundreds - we're going to have careers that go through ebbs and flows.

You get to reinvent yourself every 10 to 15 years. A marketplace facilitates that in your company and in individuals.

The fourth reason that turns the talent marketplace to critical is that it's actually proven to improve performance and retention. In a study we did a few years ago, we looked at some very simple career tools like development planning and talent mobility strategies, and found that the companies that did this were almost twice as financially successful as those that didn't.

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Companies that invested in development planning and talent mobility were almost twice as financially

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Retention and Performance Improves



“Organizations with highly effective development planning *significantly* outperform those without.”

Schneider Electric: more than 40% of all voluntary turnover was due to “not the right job available.”

	With	Without
Voluntary Turnover	8%	11%
Turnover among High-Performers	2%	3%
Ability to “develop great leaders”	23%	7%
Ability to “plan for future talent needs”	22%	6%
Median Revenue per Employee	\$169,000	\$82,800

The reason is not just because their HR departments are better, but because their employees are more quickly able to move to where the business needs them.

Career Mobility is an Enterprise-Wide Strategy

Finally, there's the issue of where this mobility strategy actually happens.

One of the questions that is asked a lot on the subject of careers and mobility is "do we do it at a local, regional, functional or enterprise level?"

At a local level, we say to somebody "You know, we know you're not happy in this job; why don't you find a new one?" on a personal level, that's not such a pleasant thing to hear, and it's also not very good from a company perspective, because the person doesn't really know where to look.

At a business unit level, you say, "Okay, we know our sales organization. We know our region. We're going to move people around inside of our business area because we know who our people are and we know where they can go." That's a more positive approach, but what the research showed us is the most positive of all is when it's done at an enterprise level.

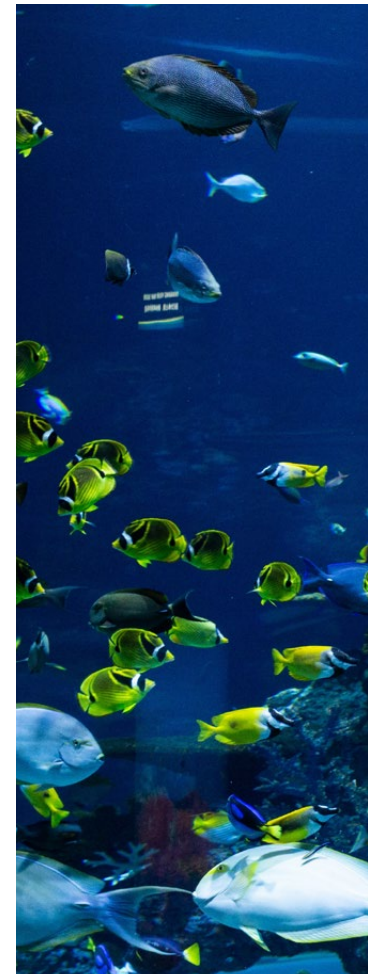
Now, when we did this study in 2011 there was no Gloat. There was no talent marketplace. We didn't have any of this technology. So this was a nice academic study, and we took it to people and they said, "Okay, let's build an enterprise-wide career mobility strategy," and they spent the next 10 years trying to do that. Today, you can actually do it.

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When we did our study in 2011 there was no Gloat. People said 'let's build an enterprise-wide career mobility strategy', and spent 10 years trying.

Today, this is actually

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The Center of Talent Management

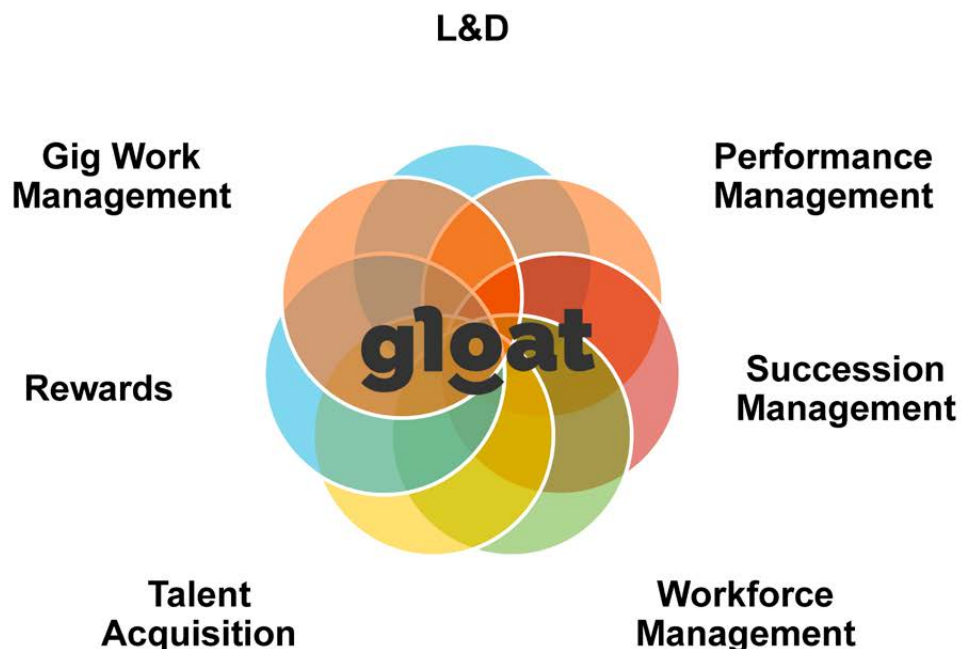
This is not a small thing. If you do this well, I really believe that the talent marketplace will become the center of talent management. Your talent management vendors may not like hearing that, because they've spent 15 years building all these tools to go around the circle, each of which is highly optimized for the things that it does. But when you have a talent marketplace - and this is what we've learned from the companies that have done this - it becomes the center of all of these things. And that's why I think it's going to stick, and it is going to take off and it is going to be more significant.

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When you have a talent marketplace - and this is what we've learned from the companies that have done this - it becomes the center of all of these things

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Talent Marketplace: The Future of Talent Management



What Adopters of The Talent Marketplace are Saying

I'll just close on what we've learned based on interviews I've done with quite a few of Gloat's clients and a lot of companies I've spoken with about this issue.

First, we saw a few different models to go about the implementation of the talent marketplace and the extent of the mobility. Schneider Electric built a model where they created gig-work with Gloat. Unilever, on the other hand, has more of a talent mobility orientation. This is the beauty of it - you might find that in your company, you're not ready to take things as far as full mobility, but you can go as far as you want to go with this.

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When you have a talent marketplace - and this is what we've learned from the companies that have done this - it becomes the center of all of these things

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What We've Learned About Talent Marketplace

- Decide which of the three models you are trying to build. Different solutions and platforms fit different strategies.
- AI-based job recommendation is coming along but by no means perfect.
- Company culture, values, and reward systems are as important as the platform.
- Don't spend a year trying to “fix” your Job Architecture, it's not worth the effort.
- User experience is the #1 driver of success.
- The Talent Marketplace will create huge demand for more aligned, effective learning.
- You don't have to boil the ocean to get this off the ground.



Number two: Don't expect the human element will be taken off completely.

You're still going to have individuals talking to managers about the role, and so you still have to build good tools to help people discover and assess and interview for the roles they're moving into, to say nothing of rewards. The reward system will either get in the way, or facilitate this. If a manager is discouraged from hiring an internal employee, they will hire an external employee.

Number three: Don't spend a year trying to fix your job architecture. You won't fix it.

Most companies we talked to have a job architecture with more jobs than they have people. Most companies we get into, there are more job descriptions than there are human beings, because every manager creates a new job description every time they open up a position.

It's better to let the system manage that as best you can, and focus on the high level "families," so that the families are clear even if you're not able to micro-fix the individual job descriptions.

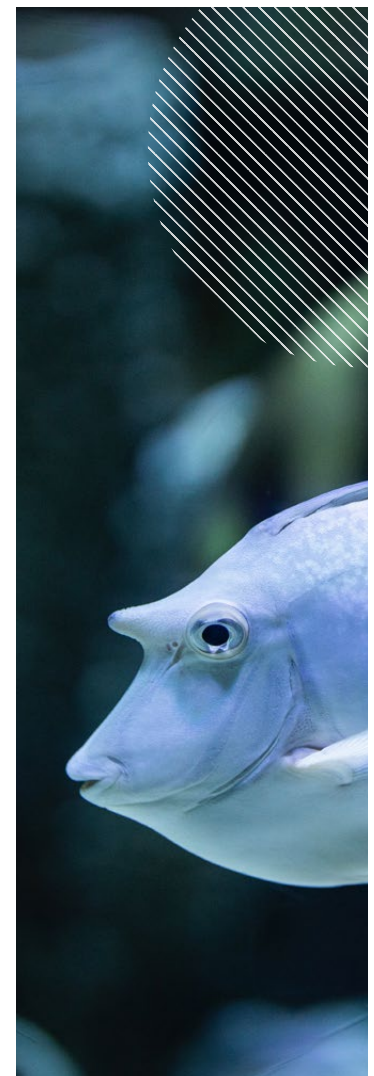
Another critical thing we learned is that the user experience is the number one driver of success for talent marketplaces. It's this marketplace dynamic, easy-to-use recommendation-based engine. So it's not just software - algorithms and learning paths. It is really about the user experience.

The final thing is that you don't really have to solve the whole problem to get this off the ground.

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Another critical thing we learned is that the user experience is the number one driver of success for talent

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You can probably start this and once you're ready in a small way, it will grow. A lot of companies started in HR or in IT, where there's already a lot of fungible skills and a lot of people moving around. They tried it there, or in marketing, where you could hear conversations like "oh, I need somebody to do graphics. I need somebody to do SEO." Or, "I need somebody to do this" where there's a lot of known skill sharing already going on, and then get people used to the platform and move it out from there to the rest of the company.

So what are the major stumbling blocks to getting organizations ready to really embrace this internal talent marketplace concept?

The biggest issues go back to this: are you ready for the culture of mobility?

There is this concept of talent hoarding. If you have a very tight financial model for performance, and people's pay is directly linked to financial measures in a very significant way, they're going to be a little bit nervous about letting people leave their group, or hiring people internally that are not trained for that job. They're going to look at the outside job market first, and they're going to get in the way. So there has to be a pretty good message from on high, that internal mobility is part of our strategy.

One thing I am absolutely sure of that's going to stick with us as a result of COVID-19 is becoming more adaptable and responsive as an organization.

So one of the ways to think about the talent marketplace is: It is an adaptable version of what we used to call "succession

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To get organizations ready to embrace the internal talent marketplace, there needs to be a good message from on high, that internal mobility is key part of overall strategy

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management.” It’s an adaptable version of what we used to call “career management.” It is part of your journey to becoming a much more adaptable organization. These kinds of disruptions are not going to go away, even when this particular one will. The talent marketplace is here to stay.





THE TALENT MARKETPLACE: WHAT WORKS AND WHY NOW

About Gloat

Gloat is the first-ever Internal Talent Marketplace, used by the world's leading enterprises. Our platform helps enterprises democratize career development, unlock skills, and future-proof their workforces, by utilizing a powerful AI engine and relying on years of experience and implementation. We enable enterprises to harness the hidden potential of talent throughout the organization by matching people to internal career opportunities that are right for them, and provide mission-critical organizational agility, visibility, and insights.

Learn more at:
www.gloat.com

