

ONE BIG THING

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It was consulting group McKinsey who invented the phrase ‘the war for talent’. That was in 1997. Since then many organisations – large and small – have spent lots of time, effort and money endeavouring to fight that ‘war’.

Well, guess what? Barely had 2008 started when McKinsey launched into the ‘war’ again with an article in their quarterly online magazine. It was a BIG wake up call and opened with:

“Companies like to promote the idea that employees are their biggest source of competitive advantage. Yet the astonishing reality is that most of them are as unprepared for the challenge of finding, motivating and retaining capable workers as they were a decade ago”.

Essentially, McKinsey see two main culprits who have contributed to the situation. The first are business leaders. McKinsey concludes that the focus of organisations on short-term results has led managers to “treat talent in a reactive, knee-jerk manner”. Long-term planning for talent has taken a back seat. The second was HR’s lack of involvement. The executives interviewed criticised HR professionals for lacking business knowledge, observing that many of them worked in a narrow administrative way rather than addressing long-term issues such as talent strategy and workforce planning.

McKinsey is very forceful in what they see needs to be done in the ‘talent war’. The article emphasised the importance of instilling a deep-rooted conviction in CEO’s, line leaders and HR professionals that people really matter – that leaders must develop the capabilities of employees, nurture their careers and manage the performance of individuals and teams. Otherwise they say, “managers easily succumb to short-term pressures and fail to embed a talent strategy in the overall strategy of the business”.

According to McKinsey HR professionals need to improve their ability to translate business needs into talent strategies, ensure their organisations view talent management as a business priority and encourage senior executives to invest significant amounts of time in creating strategies that attract, motivate and retain talent.