



# „HR Excellence“

The Talent Factor in HR Organizations –  
Translating business strategies into capabilities and culture

HR Strategy

HR Operational  
Excellence

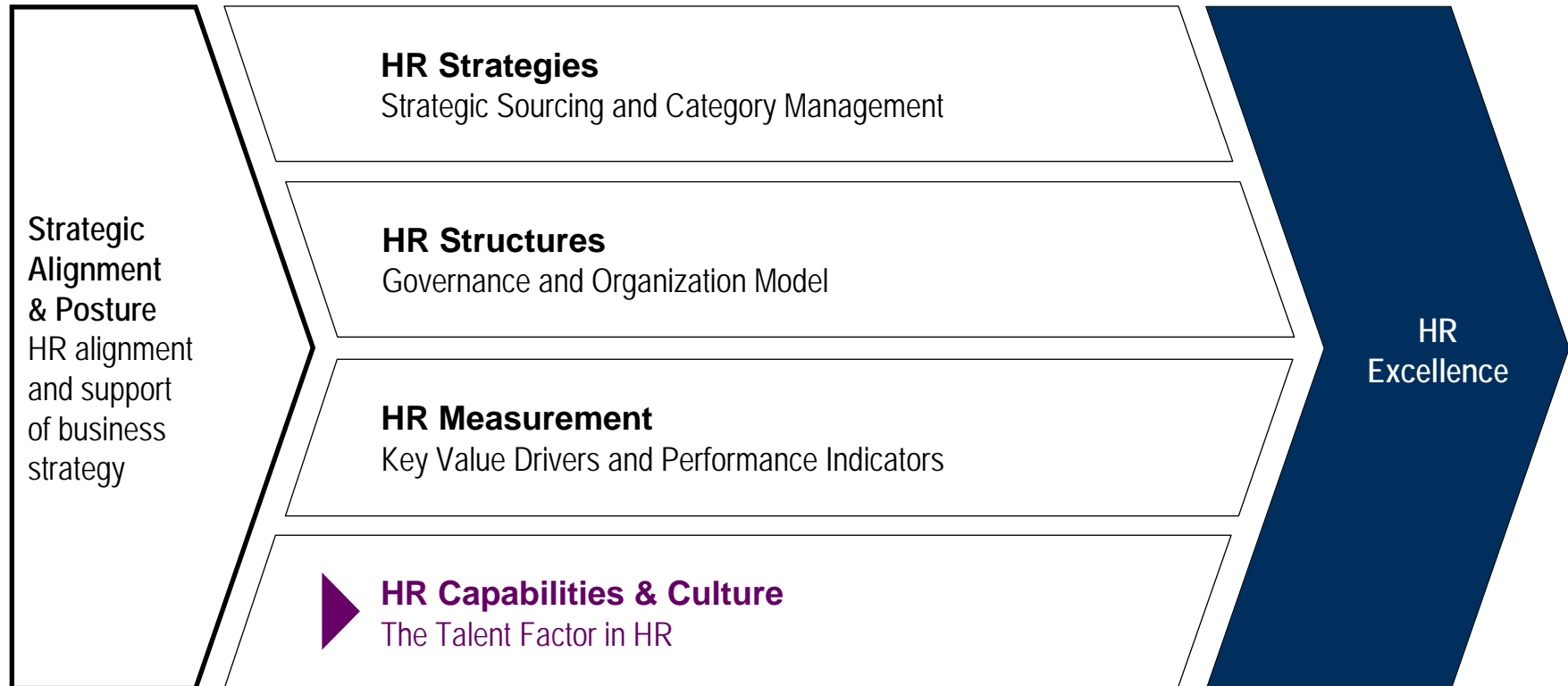
Talent & Performance  
Management

Compensation  
Management

Benchmarking

## Key Drivers for HR Excellence

It's all about performance and cost is a major part of that ... but people matter most



# HR Capabilities & Culture

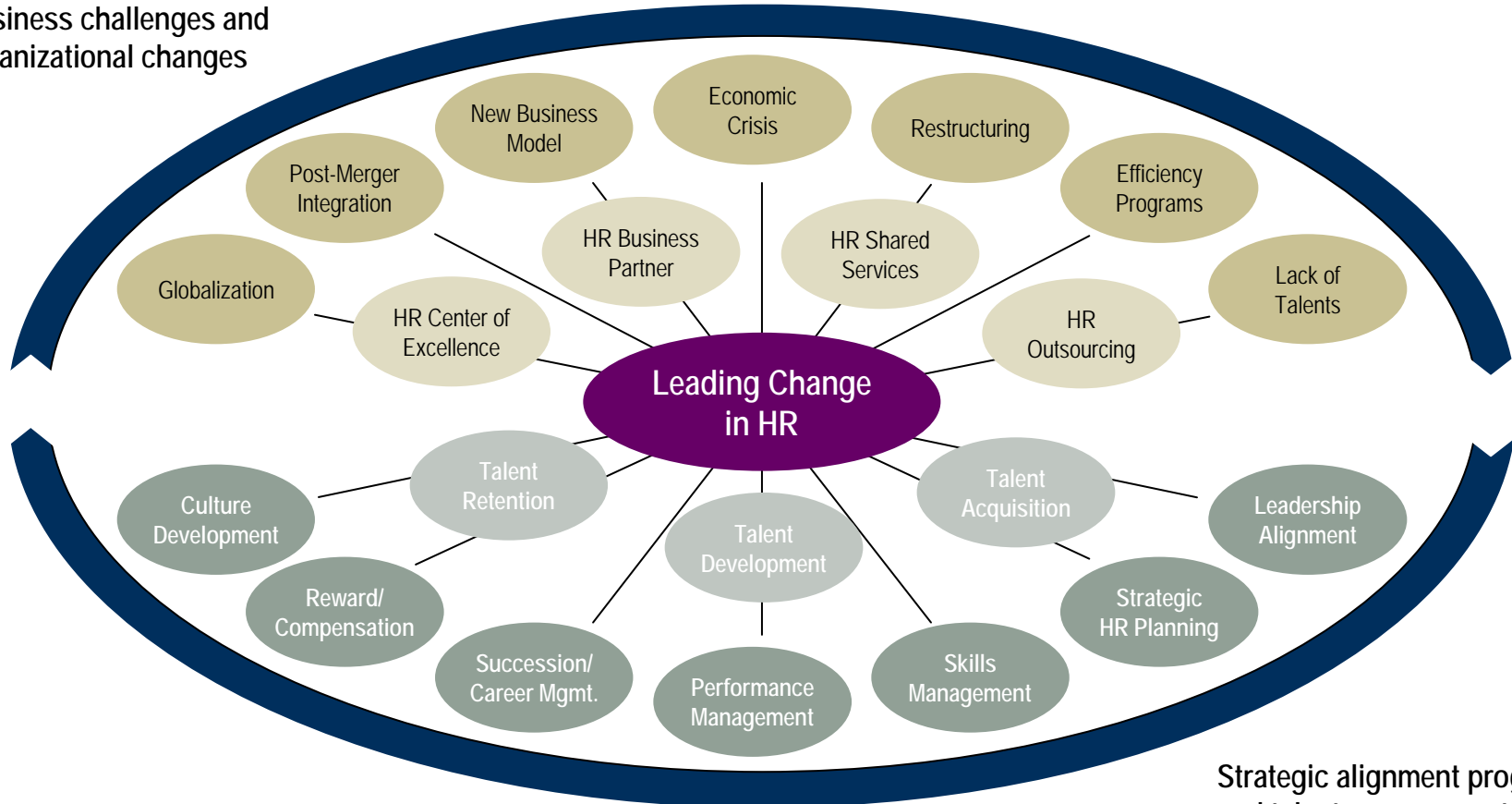
## The Talent Factor in HR

<b>1</b>	<b>The Talent Factor in Changing HR Organizations</b> People as a solid competitive edge	3
<b>2</b>	<b>Change Management</b> Lead change, clarify vision and commit people to mindset, goals and strategies	9
<b>3</b>	<b>Skill Management</b> Assess and develop your skill portfolio at organizational and individual level	12
<b>4</b>	<b>Performance Management</b> Align your people management and reward systems effectively with your strategy	16
<b>5</b>	<b>Staffing &amp; Retention Management</b> Ensure strategic workforce planning, effective staffing and retention management	20

# Strategic Alignment of the HR Organization

Excellence in HR requires systematic change and talent management

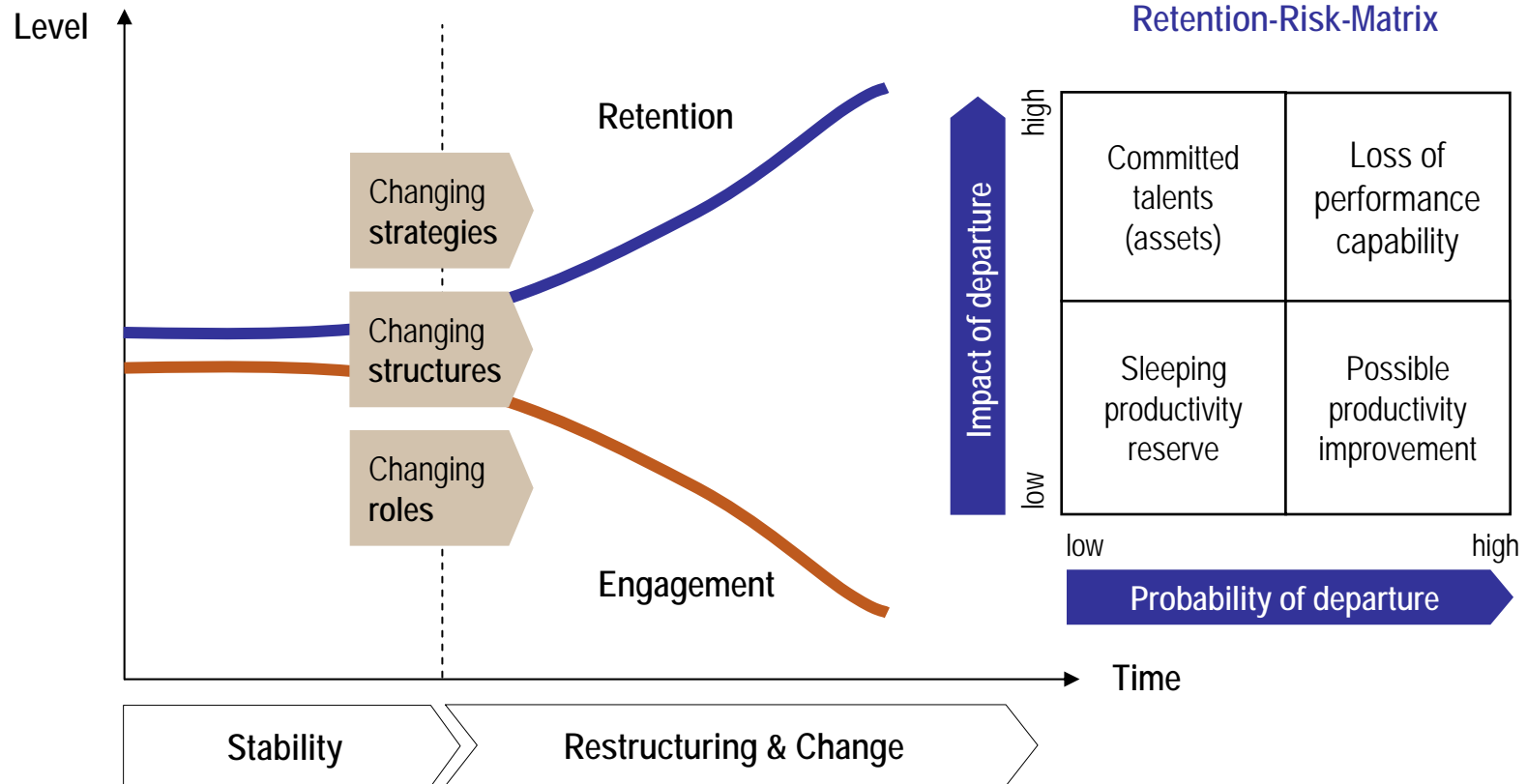
Business challenges and organizational changes



Strategic alignment programs  
and talent management

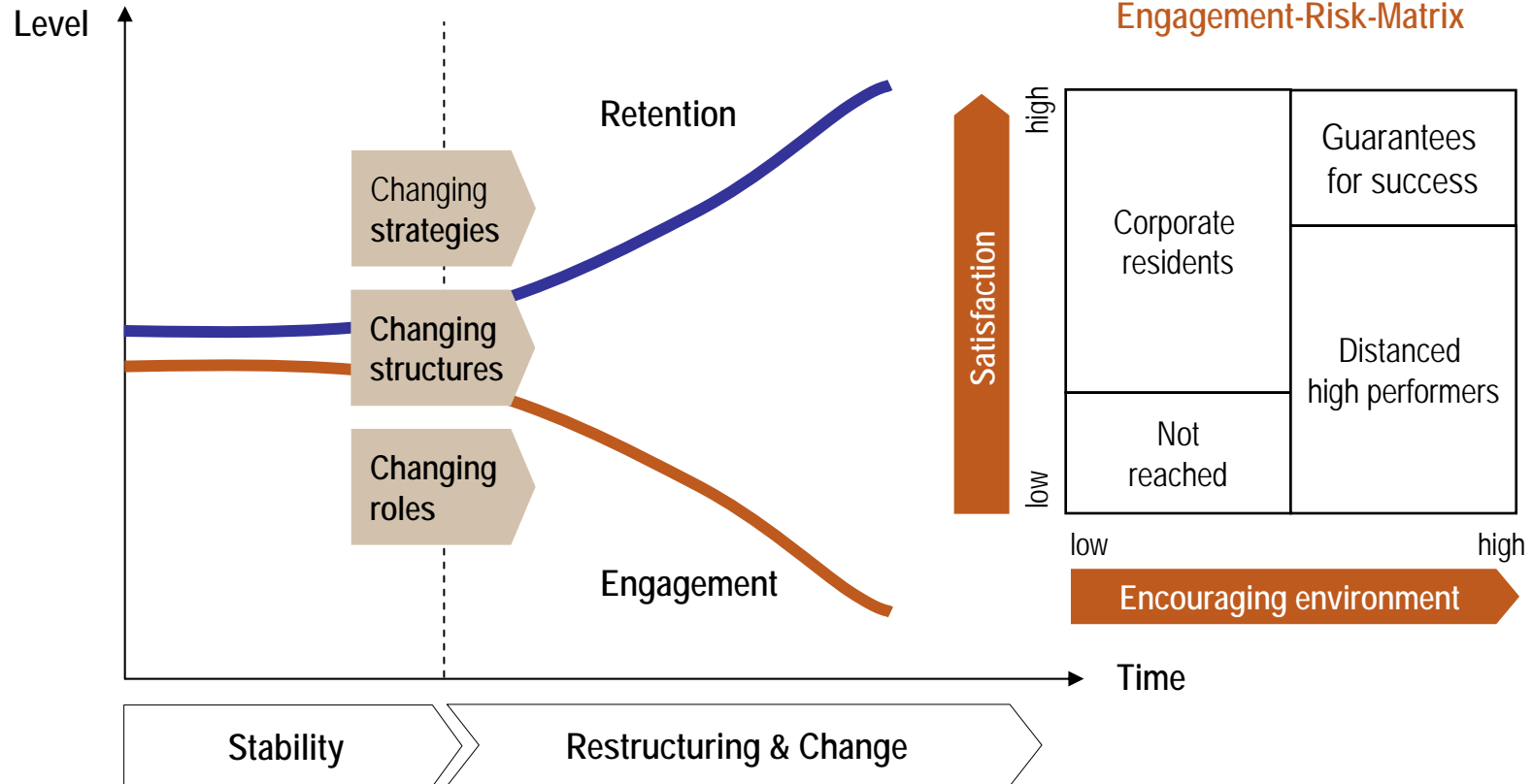
# Retention Risk in Changing HR Organizations

The retention risk increases with the probability and impact of departure



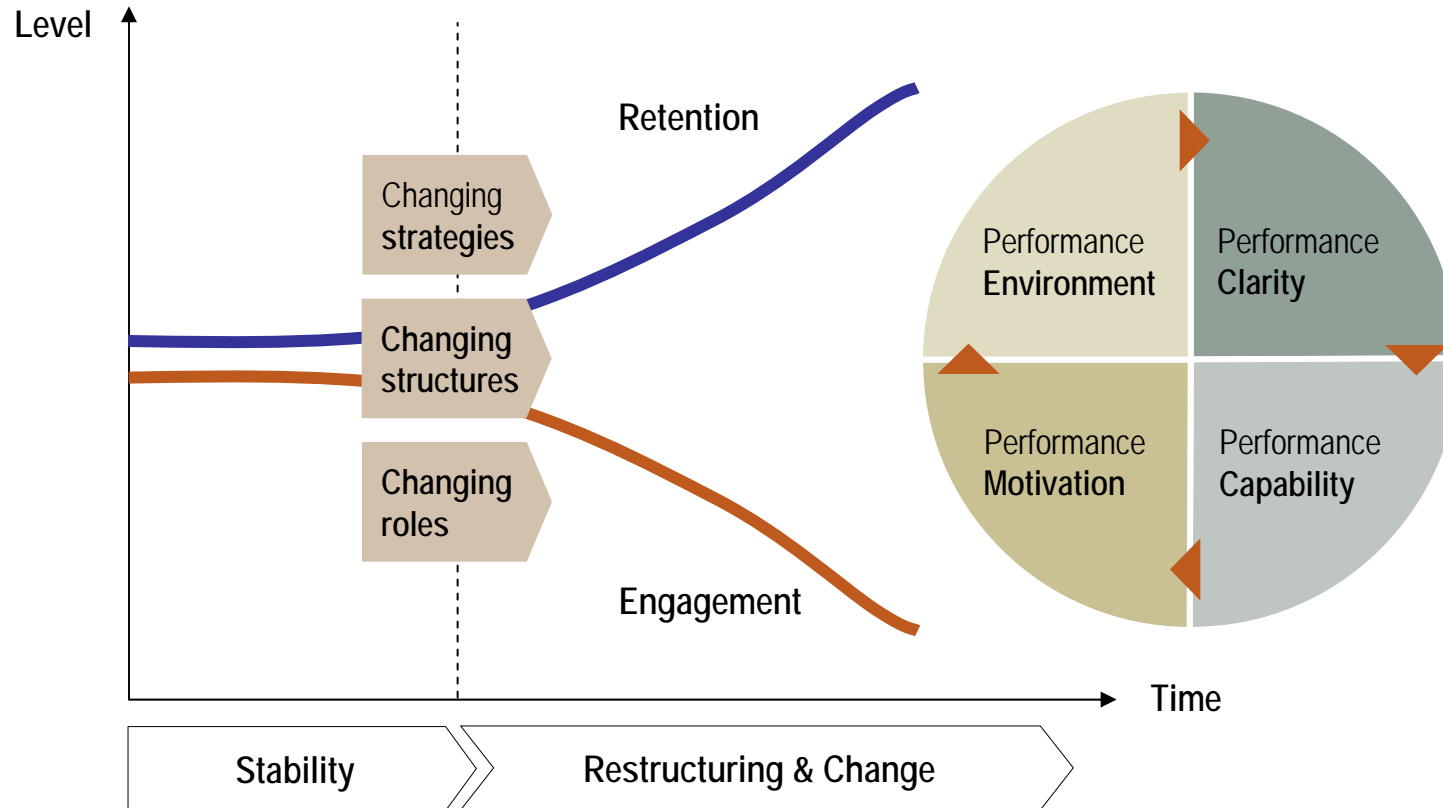
# Engagement Risk in Changing HR Organizations

Engagement is determined by satisfaction and motivation



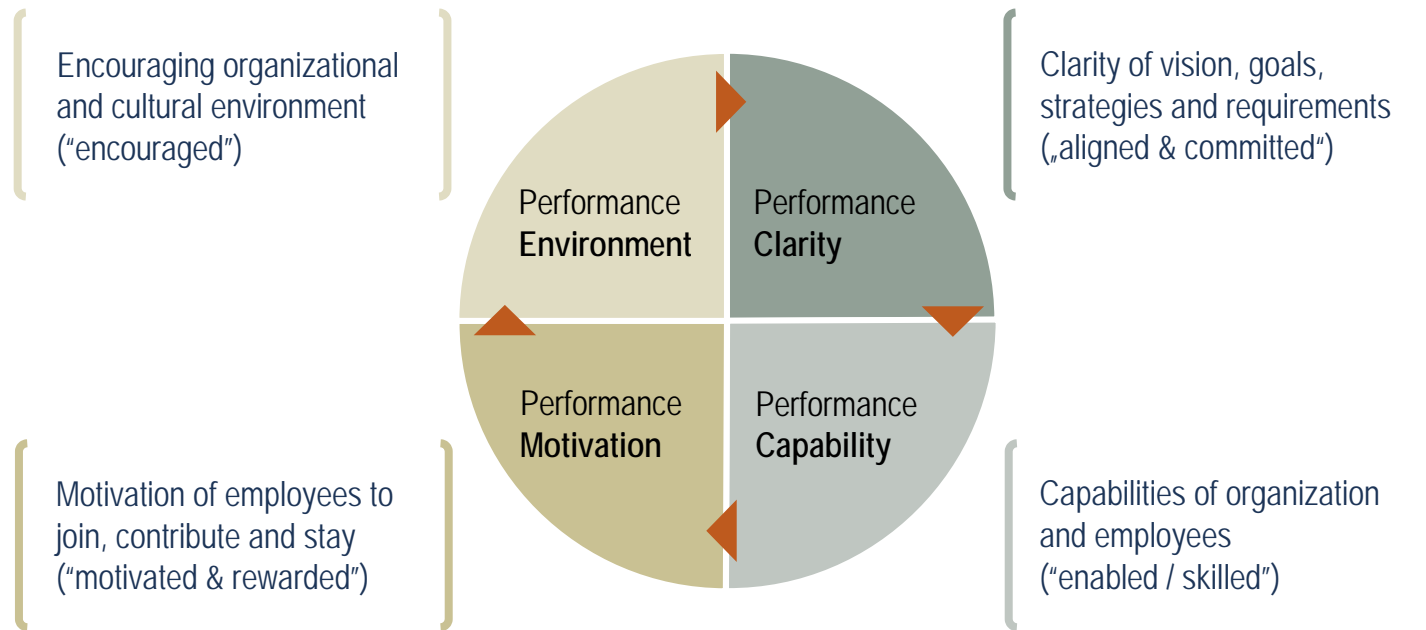
# Need for a Focused Talent & Performance Management Solution

HR organizations need to focus on key drivers for excellent performance



## Key Drivers For Excellent Performance

Change situations require an strategic readiness assessment of the HR organization



# HR Capabilities & Culture

## The Talent Factor in HR

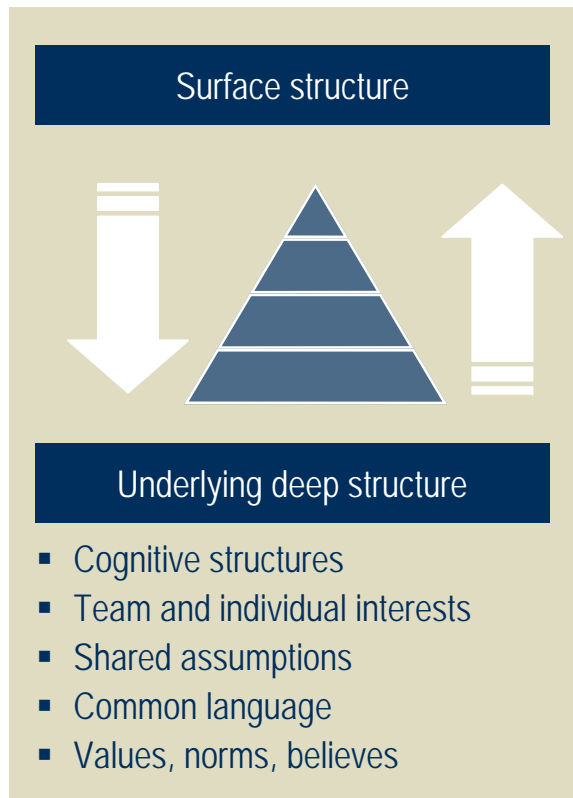
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## Levels of Change Interventions

The change of business logic requires changeableness at organizational and cultural level

**Integration is achieved through strategies and structures:**

- Cultural integration is limited to the cultural „fit“
- Cultural plurality remains reality over decades ...
- ... until the cultures further develop jointly.



← **Management interventions** to transform the company typically focus at the surface structure, e.g.

- Business modeling (products, customers, ...)
- Reorganization (Shared Services, ...)
- Repositioning (Acquisitions, co-operations, ...)
- Process improvements

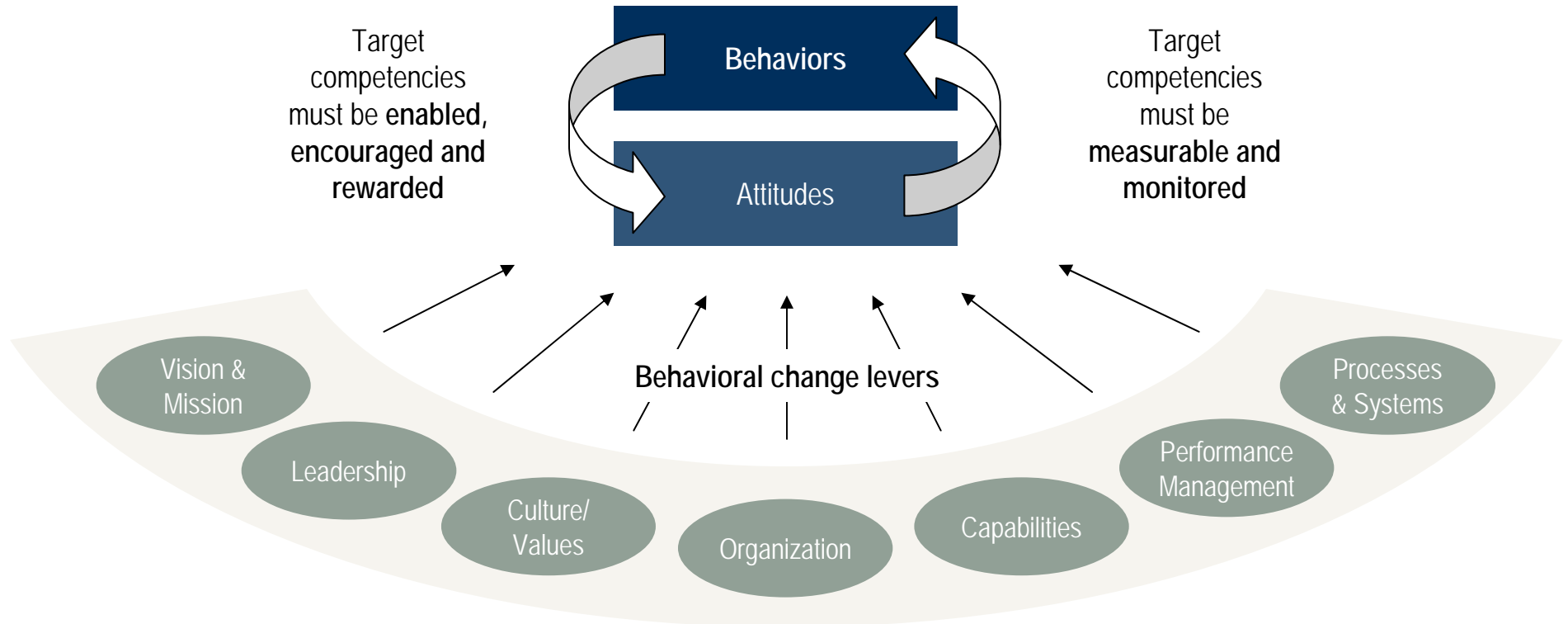
← **Change of business logic**

← A company's capability to **fundamental change** is anchored in the underlying deep structure:

- Organization climate
- Organization's mental state
- Identity
- Corporate culture

## Behavioral Change Levers

Multiple change levers need to be aligned to support the behavioral change



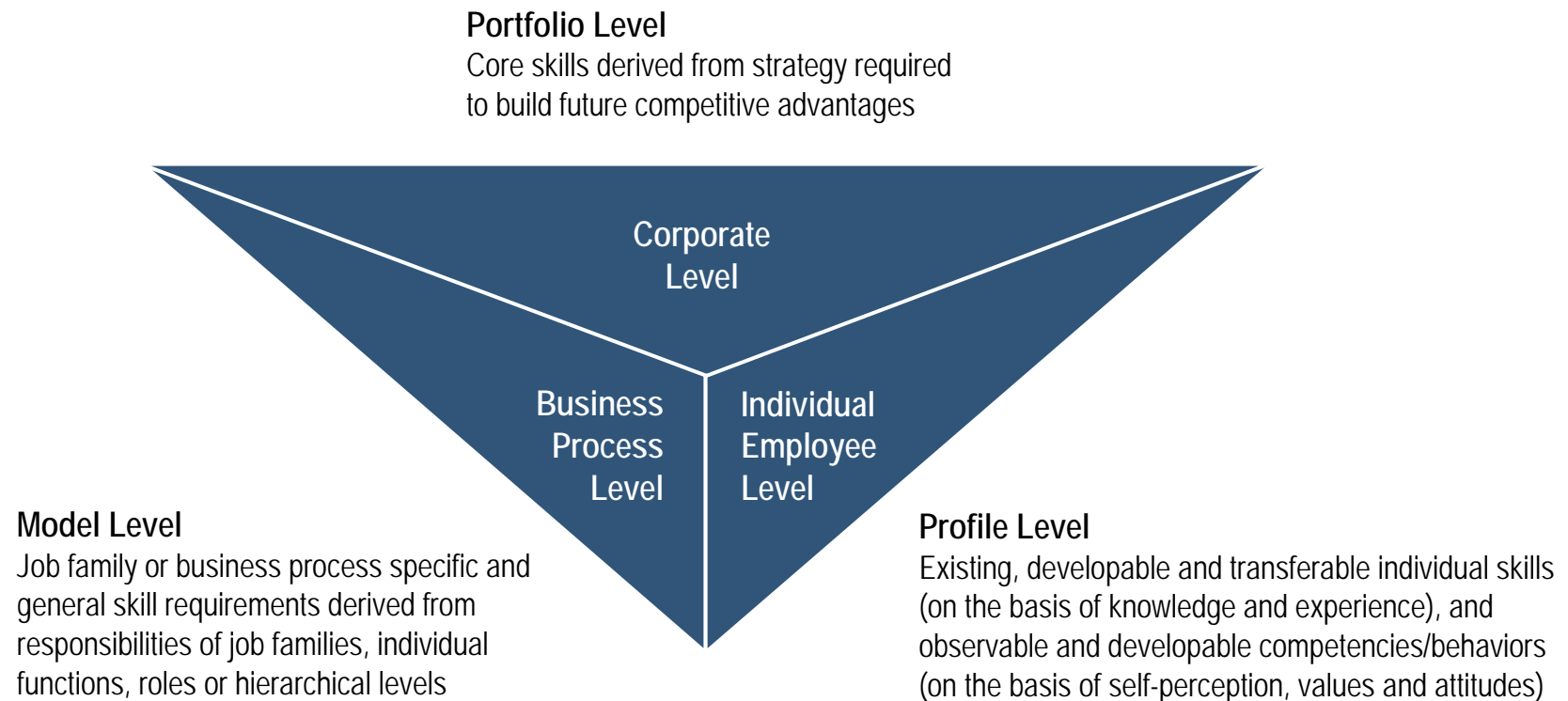
# HR Capabilities & Culture

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## Skill Management Objectives

Skill management ensures strategy alignment at different organizational levels



# Skill Management Approach

Skill management supplies the capabilities needed for strategy implementation & change

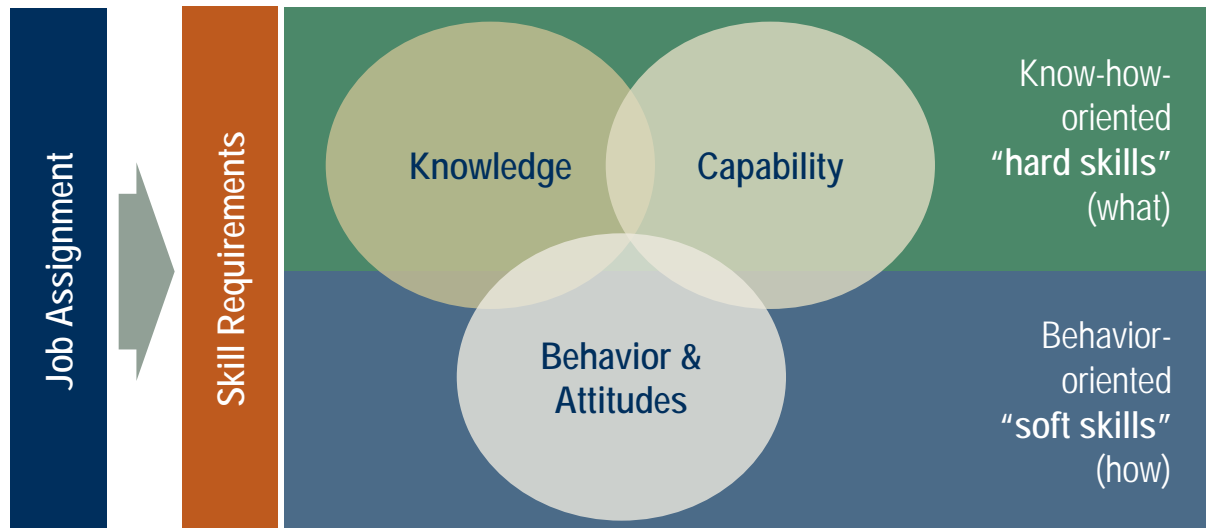


## Skill Model as Framework for Individual Skill Profiles

Holistic skill models refer to hard and soft skills aiming at peak performance

The **skill model** provides a framework for the definition of individual skill requirement profiles and allows the consistent management (assessment, development, recruitment, monitoring, ...) of strategically important skills.

The **skill profile** provides a job-specific description of present and future skills requirements with regard to ...



... and supports the successful job/role execution and value-adding contribution to the achievement of business goals.

What do the 10%  
top-performers do  
differently?

- ▶ **Threshold Skills**  
Characteristics/capabilities such as basic knowledge, experiences and attributes
- ▶ **Differentiating Skills**  
Characteristics/capabilities that distinguish top-performers from average-performers

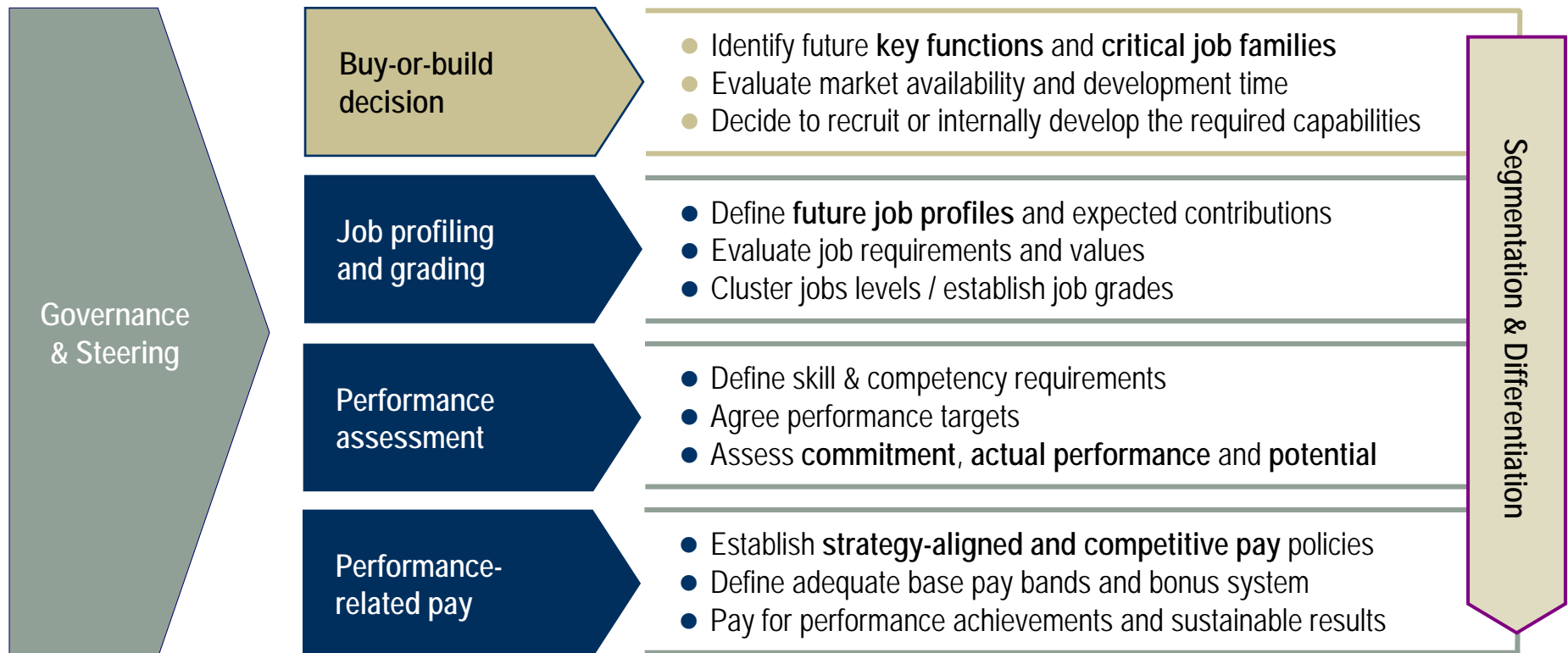
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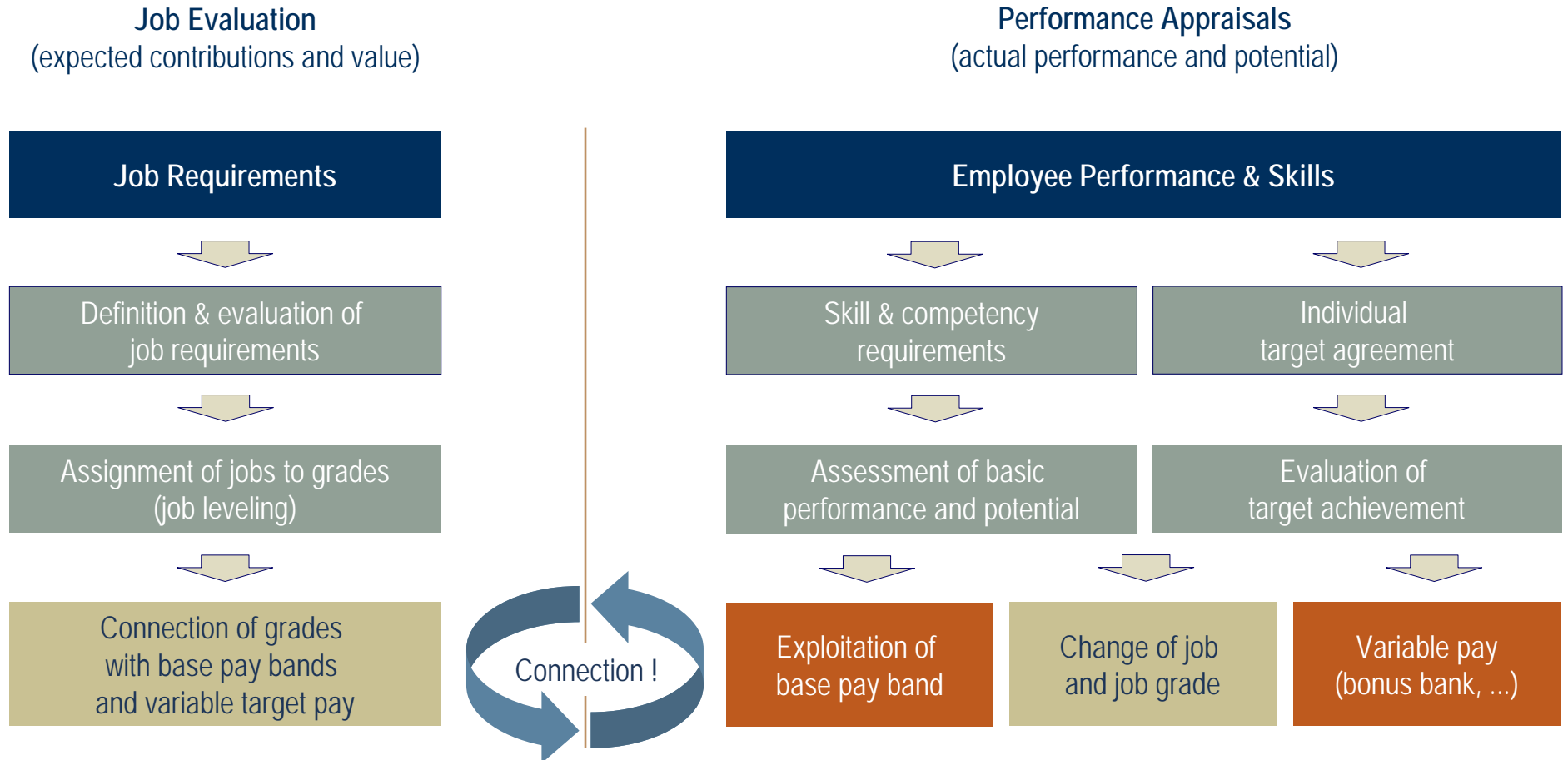
## Performance Management Focus in HR

People management and reward systems need to be aligned with future HR strategy



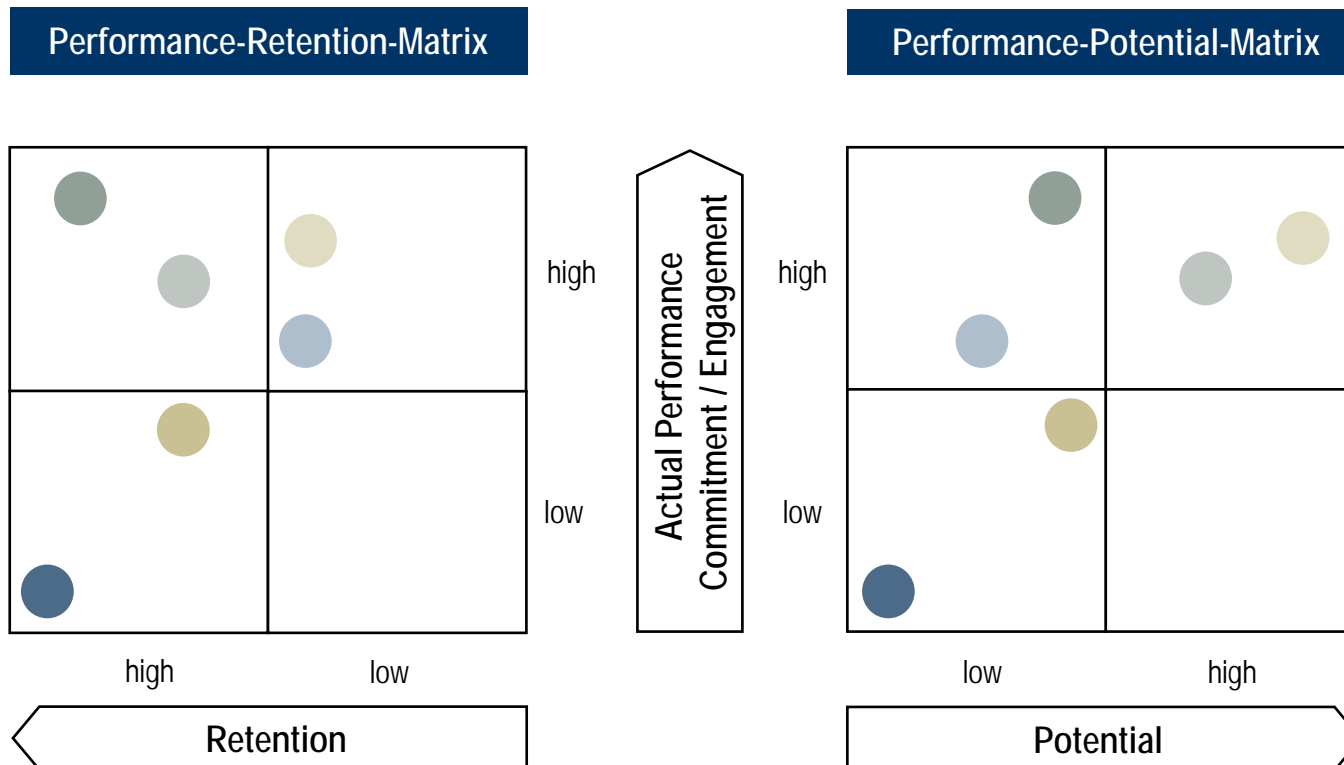
# Job Evaluation and Performance Management Processes

Cost and performance targets increase pressure on differentiation of functions and individuals



## Performance-Portfolio in HR Organizations

Changing organizations need to monitor their performance-potential and retention-risk portfolio



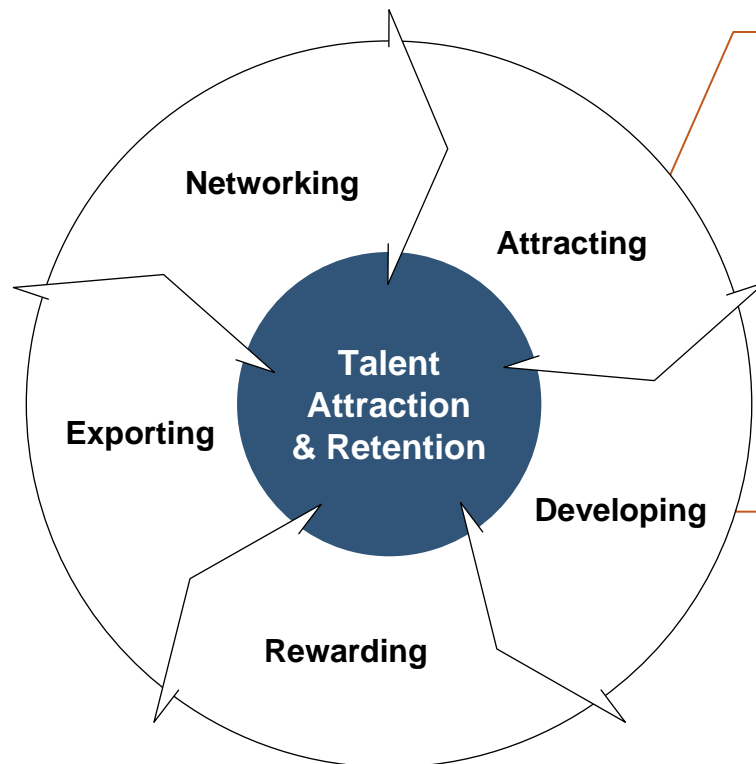
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## High Demand in Talent Attraction and Development

Lack of talents and development programs requires consistent and holistic talent management



- Very high demand of talented HR people
- Very tight market of professionals
- However, talent attracts talent

- Increase employability of your HR people
- 'HR Academy'

# Continuous Need to Manage Talent Retention

Lack of talents and development programs requires consistent retention management

## Negative consequences from talent departure

- High **cost of turnover** (recruiting, hiring, familiarization, and time-to-productivity)
- **Productivity losses** and workflow interruptions
- Decreasing service **quality**
- Loss of **expertise** (loss of top talent to a competitor can lessen competitive advantage)
- **Image** of the organization
- Decreasing job satisfaction and **morale** of remaining employees
- **Customer dissatisfaction** due to frequent staff changes and new, less experienced employees

## Steps to consistently monitor talent retention

### Organize the Turnover Data

1

Apply specific methods for organizing and monitoring turnover data so the turnover problem can be clearly identified and illustrated

### Quantify the Turnover Costs

2

Show how to accurately quantify the turnover cost and clearly demonstrate the negative financial impact of turnover to the organization

### Analyze the Cause of Turnover

3

Provide an effective methodology to accurately pinpoint the cause of turnover

### Select the Retention Solution

4

Evaluate different retention solutions and select the right solution for your specific HR organization

### Realize the Impact and ROI

5

Accurately measure the financial impact of a retention solution and calculate the ROI for your HR organization

## Why Baumgartner & Partner?

Your experts in talent and performance management

1

### **The Talent Factor in Changing HR Organizations**

People as a solid competitive edge

2

### **Change Management**

Lead change, clarify vision and commit people to mindset, goals and strategies

3

### **Skill Management**

Assess and develop your skill portfolio at organizational and individual level

4

### **Performance Management**

Align your people management and reward systems effectively with your strategy

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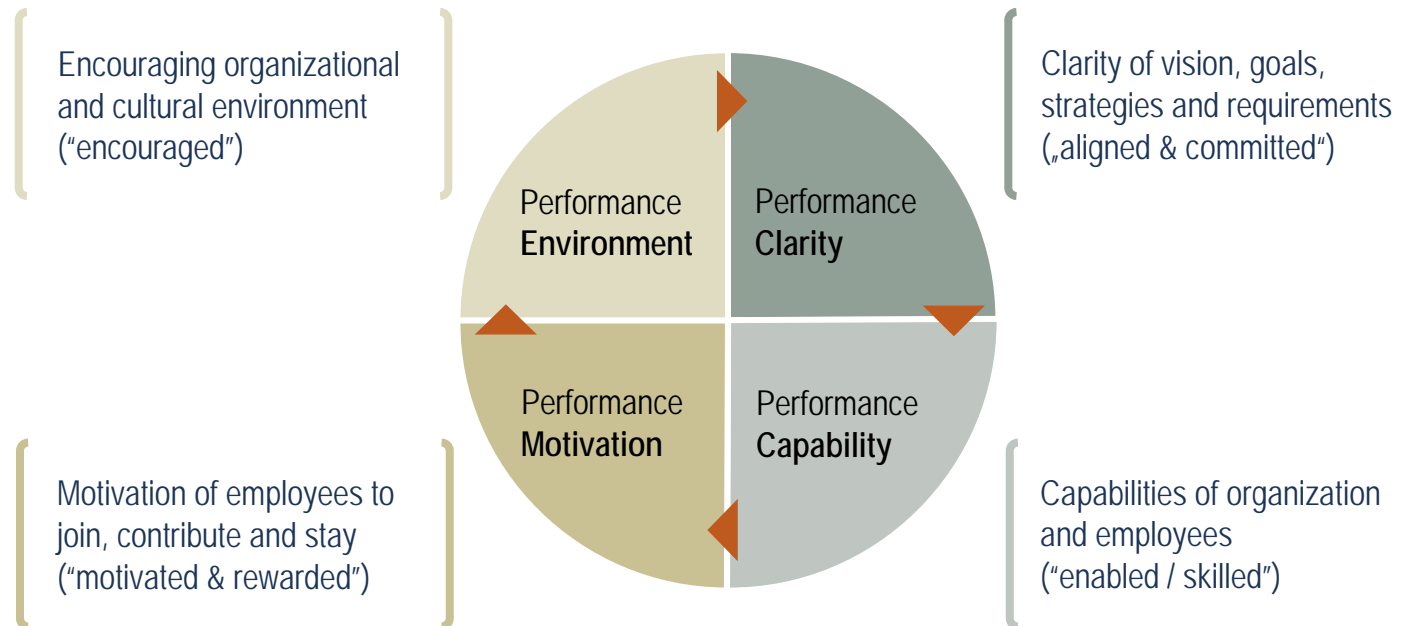
### **Staffing & Retention Management**

Ensure strategic workforce planning, effective staffing and retention management

Why Baumgartner & Partner?

## Why Baumgartner & Partner ?

Our passion: focusing on key drivers for excellent performance



# Baumgartner & Partner's Consulting Portfolio

Translating business strategies into capabilities & culture



## Contact



# „Excellence im Personalbereich“

Umsetzung der Geschäftsstrategien durch Talent & Performance Management in der HR Organisation

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Besuchen Sie auch:

**HR Process Benchmarking Online**  
Das Benchmarkingportal von Baumgartner & Partner  
[www.hr-bench.de](http://www.hr-bench.de)