Appendix 22 p. 214, *The Missing Links* by Caroline Mondon (Industrial Press, 2016) www.themissinglinks.info

Integrated Talent Planning

Talent management is at the top of Supply Chain leaders' agenda and will remain a priority for many years. Creating successful supply chains in today's global economy is a continuously evolving challenge that requires a structured approach, dedication, passion and....resilience. Different factors come into play, the most obvious ones are: expanding scope of Supply Chain Management, emergence of new technologies and globalization.

Supply Chain's **increasing scope** and "span of control" cannot be denied. In leading organizations, Supply Chain looks after not only planning & logistics but also end-to-end network design, new product introduction, operations, global sourcing...etc. Research shows that the more advanced companies elevate the Supply Chain function to a central role as an integrator, making sure system performance is delivered beyond the individual performance of each discipline. This orchestrator role requires a set of capabilities different from the roles managing the Plan, Source, Make, Deliver, and Return disciplines. In the literature, the orchestrators are often called T-shape individuals (broad "helicopter view") while the disciplines' experts are I-shaped individuals focusing on functional expertise and performance. Successful talent management must manage both populations.

The expansion of functional scope comes with acceleration in the speed of change mainly driven by **technology**. Supply Chain performance is driven by excellence in business processes which in todays' world cannot be decoupled from proper use of technology. The new era of "Big Data", "Internet Of Things" and "Global Control Towers" dictates requirements for new types of competencies and skills to innovate and leverage technology.

Globalization is not a trend anymore, it is a fact. These new global supply chains have "people inside"! Different people all around the globe having to sell, communicate, make decisions, negotiate, manufacture, ship...all of this with different cultural background, languages and values. Is your talent strategy addressing the challenges and opportunities of globalization?

Broader scope, new technology and global context must be taken into account when managing the people side of supply chain, failure to do so will result in difficulties to attract and retain the talent you need to succeed.

Supply Chain professionals are familiar with Sales & Operations Planning or Integrated Business Planning; I would like to introduce the concept of Integrated Talent Planning (ITP). Just like S&OP, ITP is a set of business processes requiring regular review, orchestration, alignment and commitment. Properly executed ITP will deliver a talent strategy aligned to business objectives, gap identification and closing, "attract and retain" initiatives. The main elements of Integrated Talent Planning are: leadership & strategy, competency models, training & development, recruiting & onboarding, performance management, career path & succession planning, compensation & benefits. In the following section I will highlight key success factors for the first elements.

<u>Leadership & Strategy</u> - Supply Chain leaders must **lead** the talent agenda and drive alignment with the supply chain strategy. Do not leave it to HR. Take ownership and use HR as a partner for guidelines, expertise and policies. Embed the people element in your strategy and review at least on a yearly basis. This **talent review** must answer the following questions: What organization/competencies do we need to deliver the strategy? What are the **gaps** vs. current state? Good practice is to build a "talent committee" to run the ITP process, focus on the future, identify talent pools, include succession planning and articulate a communication strategy.

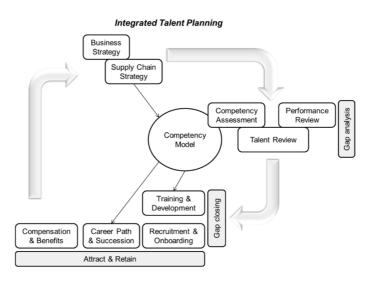
<u>Competency Models</u> - Close collaboration with HR is a must here; they provide the framework; SC leaders provide content. One of them is **terminology** alignment, a key success factor in the deployment of an efficient model. The role profile headings, job family groupings, competency library headings...etc. need to be defined

very carefully to be meaningful to the global organization and aligned to industry/academic standards. While HR usually "owns" behavioral and generic competencies, the definition of **specific competencies** and skills is a functional activity. There is a link with the strategy process here; the model must cover current and **future needs**. The most challenging step is certainly the communication of user guides and principles; failure to communicate the purpose of competency models and how to use them will result in distrust from employees and misuse by managers. Do not underestimate this step, especially for the delicate topic of competency assessments which can take many forms (self-assessment, manager assessment, questionnaire, assessment center...). Clear upfront communication on process objectives (identify gaps for current and future roles) will ensure a successful rollout. Good practices: align terminology, include future competency requirements, provide gap closing options, and separate the competency assessment to the annual performance review.

Recruiting & Onboarding – Globalization of supply chains offers a formidable opportunity to drive **diversity** through the recruitment process. "Minorities" can see big opportunities in SC careers since there is less of a glass ceiling compared to traditional functions, as evidenced by the high proportion of females (approximately 40%) in the SC graduate population. Good practice is to partner with universities offering the best SC curricula (e.g. graduate programs), do not drive blind with regards to salaries on the market and attract "pros from outside" to accelerate pace of change.

Training & Development - Another supply chain principle can be applied here: segmentation. On the basis of competency models, the training and development offerings must be segmented to targeted specific populations. Scaling will be the driving factor for large populations (e.g. entry level planners) while customized development activities (e.g. peer networking, exposure, coaching) is more important for leadership positions. Development programs can be costly; leaders have a critical role to play in making sure the learnings are applied and result in continuous improvement activities. This can be achieved in combining the academic / theoretical teaching with "how to apply in our business" sessions. Good practices: use internal leaders as teachers, follow up on implementation projects, measure the impact of training, use business games to apply the learning, and leverage professional organizations and certifications.

We have entered "the perfect storm" in Supply Chain talent management. In order to navigate through this ocean of opportunities and challenges, successful leaders will rely on a structured approach. The elements of Integrated Talent Planning are not new, however the need for alignment with the strategy and business process integration has never been higher.



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