## Strategies for Winning the Talent War
By Erin Murphy, Pepper Hamilton LLP

A decreasing unemployment rate, an aging baby boomer workforce, and the rise of technology and the gig economy have all been cited as reasons for the current talent shortage. But as the war for talent gets even more challenging, there are strategies that companies and private equity firms can employ to ensure they are recruiting, retaining and developing the right talent for their organization. These strategies were the topic of ACG Philadelphia's January breakfast briefing, "Winning the War for Talent," which was moderated by **Alissa Moody**, a partner at executive search firm JM Search.

**Featured Speakers**
- **Michael Haugen**, Partner, ghSmart
- **Alan J. Kaplan**, Founder and CEO, Kaplan Partners
- **Tish Squillaro**, Founder and CEO, CANDOR Consulting

### Groom and Develop Your Own Talent
While the talent shortage has caused many companies to work even harder to bring in the best new hires, less attention has been paid to grooming current employees for future leadership roles. Kaplan said that among his clients, he sees "a lot more talk than action when it comes to talent development internally." Squillaro noted that internal talent development and external talent searches do not fall under an "either/or" construct — by developing internal talent in parallel with your external searches, you are able to better see your talent gaps and fill them effectively.

All the panelists said companies should be developing successors internally, particularly for the C suite. This may mean moving a high performer away from your team to another division where he or she can make an impact. "You have to invest in talent development for the whole enterprise, not just your division," Haugen said.

### Create a Virtual Bench
When should you start searching for new talent? "The time you should be looking for talent is all the time," Haugen said. In today's competitive market, you are already behind the curve if you wait to search for talent until you have an open position. The panelists recommended cultivating a "virtual bench" of talented individuals whom you can reach out to in the future when a need arises.

### Focus on the "Human" in Human Capital
In both internal talent development and external talent searches, it's crucial to understand who candidates are as people, as opposed to names and skills on a résumé. Attention must be paid to individuals' needs and wants, as well as motivations for leaving an organization. Kaplan noted that he often sees people looking for new opportunities because they don't see an upside to their current role or a clear path for development; while Moody said she sees candidates looking at new companies because they want to make an impact. These motivations can be even more important to individuals than salary, and companies that ignore a personalized approach may find themselves on the losing end of the talent war.

"Understanding your audience is the number one consideration in managing a relationship, whether internal or external," Squillaro said. "As you navigate your hiring process and integrate new talent, it's important to know your existing teams and what makes an effective partnership with them. This should create a successful onboarding process."

Likewise, it's important for organizations, managers and human resources professionals to put themselves in a candidate's shoes and ensure prospective new hires move through the process in a deliberate and timely manner.

"Star candidates always have the most options. Failing to appreciate the market dynamics at play, including understanding the compensation parameters for top talent in your arena, may result in losing a strong contender," Kaplan said.

**Rethink the Interview Process**
Winning the war for talent is not measured solely by hiring new employees. Those employees must also be successful in their roles, which is why it's so important to have an interview process that provides real insight into how a candidate will actually perform on the job. The panelists all noted that most interviews address only a candidate's skills, and not his or her personality or approach to problem solving.

To fix the interview issue, each panelist provided a few suggestions. Kaplan said that interviewers should spend time preparing for the interview beforehand, particularly board members, who often go into an interview without the necessary information to probe deeply into a candidate's fit for the position.

Squillaro suggested that interviewers prepare a list of what they *don't* want in a candidate, rather than relying on a list of what they *do* want. By creating a no-go list, they'll avoid hiring someone who isn't a good fit. She also noted that it is important to understand a candidate's motivations and whether they align with the cultural dynamics of the company.

"You should be asking questions about how they like to work, versus what they have done. This can yield great information about whether the environment that exists is the right place for them," she said.

Haugen advised that companies should spend time upfront to create a scorecard for each role before they interview candidates. For his clients, he has worked with stakeholders across the organization to define the necessary qualities to have success in a given role — whether it's a dozen factors for a member of the C suite or three factors for an entry-level role.

"One of the biggest mistakes you can make is not defining the role — the required outcomes, success factors and accountability. You can't measure people if you don't have a calibrated yardstick," he said.