

The CEO's talent management recession 'to do' list

How quickly things have changed—a few months ago we were looking at high resource prices and funding aplenty and a diminishing supply of skilled people. You could be forgiven for thinking that that problem has gone away.

Having taken the necessary immediate steps to protect cash and trim operations the CEO will be planning now how to turn the melt down to advantage. First on the list should be talent— attracting and retaining the key skills to return their business to profitability, fast!

This crisis will pass and the developing world will continue to need infrastructure and house its populations. The demand for metal will return but the fundamental demographics will remain; there will be more jobs in the mining sector than skilled personnel to fill them. So what actions are required to prepare for the upturn?

We have compiled a CEO's Talent Management Recession "To Do" list comprising actions that major mining companies are undertaking to be well prepared for the upturn:

- ▶ *Operating controls*; in the rush to tighten operating controls, protect cash, and cut back surplus staff ensure that high potential individuals and those with key skills are identified and retained by the organization. Losing these people will be bad enough but the message sent to remaining staff will be even more damaging.
- ▶ *Add talent*; individuals that you couldn't afford or couldn't attract only a few months ago should now be approached. "In the money" options won't be! What better sign of confidence in your prospects than hiring for the upturn (Buffet buys equities counter cyclically for long term value—why not do the same with people).
- ▶ *New reward plan*; do your retention devices still work? Be certain that there is enough long term value in place to retain top people. Note that you may need a cap to avoid excessive payout when the market takes off again.
- ▶ *Employment brand*; what is yours? Are you positioned to meet the integration of gen x/y into the organisation? Do you continue to have terms and conditions designed for baby boomers? What messages does your brand convey, do we walk the talk, are incentives and people programs aligned with our

values? Fewer younger people are willing to relocate—do we want to retain older managers? Remember you know longer own your brand—today it exists in blogs and social networking sites exchanges in the web world.

- ▶ *Governance*; For the past year investors have highlighted to your board that people strategy represents a significant execution risk (e.g. not having or being able to attract the right skills means budget and timelines not being met). Do your career plans develop your people fast enough, do your promotion and job grade systems support rapid development, do you know what your talent inventory is, and how many of your people are mobile?
- ▶ *Talent Management*; a timely opportunity for the HR team to make a strategic contribution by leading these strategies. If they can start pressing their ideas in terms and language understood by the rest of the leadership team this could be a unique opportunity to upgrade the function and add a meaningful people component to your business plan.
- ▶ *Acquisitions*; the time will come to add additional businesses and/or select properties. An enormous hidden asset will be the acquired people. Ensure a complete soft due diligence and full talent audit of any target well in advance to ensure that you are able to retain the human capital.

FOR FURTHER DETAILS OF HOW SWANN CAN ASSIST YOUR ORGANISATION PLEASE CONTACT:

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