

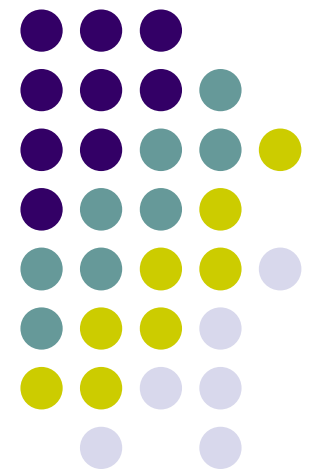
Talent management in the new economy

Applying lessons learned from
knowledge workers

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Agenda



- Definitions of talent management and knowledge workers
- Why talent management is increasingly important in the existing economy
- Talent management considerations that are unique to traditional and non-traditional knowledge workers
- Generational differences among knowledge workers
- Recommendations to help firms to stimulate and retain knowledge workers
- Discussion: How might existing research on knowledge workers be applied to benefit all workers?



Background

- Book chapter on using technology to manage non-traditional knowledge workers
- Re-read Weisbord's 1991 book, *Productive Workplaces*.
- Amazon.com's description: "Offers specific how-to instructions for involving employees in designing new work methods and developing strategies for organizational improvement ."

Managing Talent



- “What potentially differentiates one company from another is the way they manage the employee-employer relationship, as knowledge workers can leave an organization and remove that key asset.”
- “Their retention is, therefore, vital for organizations operating in this knowledge era, forcing some companies to make greater effort in, first, developing systems which will increase the effective creation and utilization of knowledge and, second, understanding the mechanisms and concepts involved in retaining knowledge workers” (Lee-Kelly, Blackman & Hurst, 2007, p. 205).

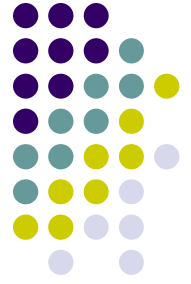
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Talent Management



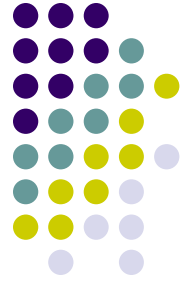
- “The implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining, and utilizing people with the required skills and aptitude to meet current and future business needs” (Lockwood, 2005).
- Examples of talent management practices and processes include aligning human resource programs with strategic business goals, broadening existing definitions of diversity, developing future leaders, and engaging employees in an effort to increase their emotional and intellectual commitment to the organization.
- Ultimately, the goal of talent management should be to build “culture, engagement, capability, and capacity through integrated talent acquisition, development and deployment processes that align with business goals” (Bingham, 2008, p. 81).

Knowledge Workers



- Drucker – “accountants, engineers, social workers, nurses, computer experts of all kinds, teachers, and researchers. They are the people who add to a company’s products and services by applying their knowledge” (as cited in Lord & Farrington, 2006,p. 20).
- Roy et al - “any employee possessing specialist knowledge or know-how who is involved in consultancy based on their specialist knowledge or know-how, or research and development work for new products, services or processes. They use their knowledge and know-how to gather, analyse, add value and communicate information to empower decision making” (as cited in Lee-Kelly et al, 2007, p. 205).

Knowledge Workers



- Lee-Kelly, Blackman and Hurst (2007) posit that “Knowledge workers’ careers tend to be developed through self-directed learning and further education rather than from internal career or personal development programs. Their ability to learn is fundamental in achieving and maintaining their own personal competitive advantage. This makes them more likely to be loyal to fellow professionals, contact networks and peers, rather than to their employers” (p. 108).
- What this means is that firms should have in place social networking opportunities for knowledge workers so they can form bonds with one another. This will lead to trust, which will facilitate the sharing of information and enhanced learning.



Knowledge Workers

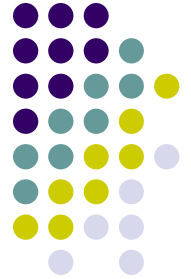
- At the same time, however, firms should not disregard strengthening employee loyalty. As evidence, the Lord and Farrington (2006) article found that knowledge workers of all ages “ranked the statement, ‘I enjoy and take pride in my work’ in their top two reasons for working” (p. 23). Also, Lord and Farrington assert, “there is a strong positive correlation between job satisfaction and overall organizational commitment.” (p. 25).
- These results have important implications for all firms and echo statements by Yang and Lin (2009), “For highly mobile professional knowledge workers, an effective human resource staff development strategy should focus on increasing employee job satisfaction to reduce turnover” (p. 108).

Knowledge Workers & Job Satisfaction

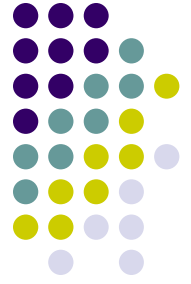


- What factors make you happy with your job?
- List the top 3.

Knowledge Workers



- Studies have shown variables that affect job satisfaction among knowledge workers include working in a “high technology” organizational culture (Takada, 2003), having transformational managers as supervisors (Bell-Roundtree, 2004), and “increasing worker empowerment, autonomy, and self determination” (Lee-Kelly, Blackman & Hurst, 2007).



- Is increasing employee commitment as simple as that?
- Possibly not, as one must consider that organizational talent management efforts are often complicated by differences among workers.

Non-traditional Knowledge Workers



- In recent years, the use of non-traditional knowledge workers (those who work on a part-time, temporary, or contractual basis) has increased around the world as businesses seek to streamline processes, reduce healthcare costs, and minimize retirement benefits.
- "Hiring qualified temporary knowledge workers gives companies more flexibility as well as opportunities to reduce costs, which are important factors in any economy" (Reuters, 2009).

Non-traditional Knowledge Workers



- A recent study indicates that contingent knowledge workers think:
 - 1) contingent work is a rewarding experience;
 - 2) the opportunity to work in different organizations, industries, and projects is enjoyable;
 - 3) they benefit from higher wages;
 - 4) enjoy more varied and interesting work, with greater autonomy in choosing when and where work is completed; and
 - 5) their work allows them to adjust work commitments to fit with personal circumstances.

(Redpath, Hurst & Devine, 2007)

Generational Differences

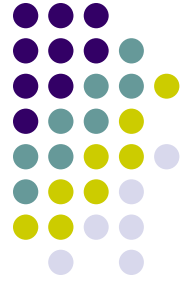


- “Younger workers place more importance on advancement, security, and how their supervisor relates to them. The older worker places more importance on independence” (Lord & Farrington, 2006, p. 25).
- “Younger generations place more importance on the values associated with openness to change and self-enhancement than do older generations” and “in the work setting, younger generations value status and a social working environment more than do the older generations. The older generations, on the other hand, place more importance on altruistic work values” (Lyons, 2004, p.1).



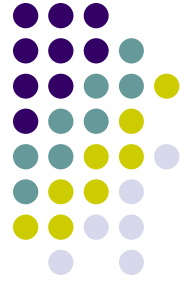
Generational Differences

- Terjesen and Frey (2008) investigated how organizations can best attract and retain young knowledge workers. According to their research study involving Human Resource managers, “to keep them in the long run, they have to be offered good training and development and a pleasant corporate culture” (p. 80).
- The authors also provide an additional “list of desired organizational attributes” (p.83), which includes: “care about their employees as individuals; clear opportunities for long-term career progression; variety in daily work; and dynamic, forward-looking approach to their business” (p. 83).



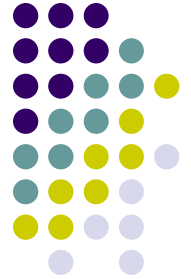
Information Overload

- “Roughly once every three minutes, typical cubicle dwellers set aside whatever they’re doing and start something else--anything else. It could be answering the phone, checking e-mail, responding to an instant message, clicking over to YouTube, or posting something amusing on Facebook” (BusinessWeek, 2008, p. 55).
- It is estimated that in the U.S., “28% of a knowledge worker’s day is lost to unnecessary interruptions, which cost the U.S. economy \$900 billion a year in lost productivity” and it is thought that information overload “leaves knowledge workers with only 12 percent of the day for thought and reflection” even though “knowledge workers think for a living” (Rocha, 2009, B1).



- When was the last time you were able to pause and think creatively at work?
- What were the circumstances that facilitated that?



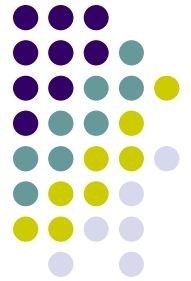


Information Overload

- The issue of numerous interruptions and information overload presents a double-edge sword for those who manage knowledge workers.
- How does one encourage creativity and innovation while maximizing productivity?



Using Technology in Place of Talent Management

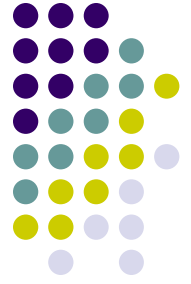


- Many organizations implement technology and software tools to better utilize their workers.
- IBM - Several years ago, the firm hired a mathematician to head “up a team that's piecing together mathematical models of 50,000 of IBM's tech consultants. The idea is to pile up inventories of all of their skills and then to calculate, mathematically, how best to deploy them” (BusinessWeek, 2008).
- According to a 2008 BusinessWeek article, the mathematician’s “assignment is to translate the complexity of highly intelligent knowledge workers into the same types of equations and algorithms that are used to fine-tune shipping or predict the life span and production of a mainframe computer. The idea is to build richly textured models that behave in their symbolic realm just like their flesh-and-blood counterparts. Then planners can manipulate them, looking for the most efficient combinations” (p. 3).



- How might technology be used in your workplace to manage knowledge workers?
- What are some of the pros and cons?





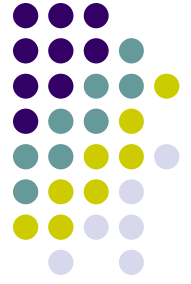
What Does it All Mean?

- How can organizations better manage the human capital provided by knowledge workers?
- As the global economy fluctuates and the very nature of work changes, organizations must do two things:
 - 1) encourage creativity and innovation while maximizing productivity, and
 - 2) support a change in the “control and command” business practices still used by most managers when organizing knowledge workers.



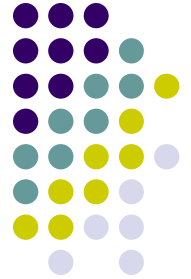
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 - 1) encourage creativity and innovation while maximizing productivity, and
 - 2) support a change in the “control and command” business practices still used by most managers when organizing knowledge workers.
- There must be a balance between harnessing technology to optimize their work in a structured way and using human networks to help them develop and organize their own work. As stated by Weisbord (1991) almost 20 years ago, “the essence of effective organization is learning, not coercing and controlling output” (p. 13). The following are two recommendations to help organizations accomplish just that:

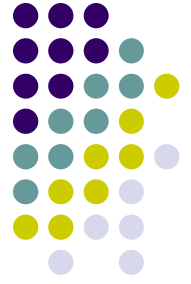


Recommendation 1

- Place knowledge workers, whether full-time, part-time or contingent, in jobs that utilize their core competencies while stimulating their interests and making them feel valued. This will appeal to both older individuals who seek autonomy as well as younger employees who strive for career advancement, learning opportunities, and a pleasant corporate culture.
- In addition, over time, assign them a variety of intellectually challenging work and, if possible, have those projects involve different organizations and industries.
- “If we truly value our people and provide them with an environment that enables them to fulfill their highest potentials - and if we offer them the highest possible returns on the investment of their human capital - then they are likely to respond by contributing their creativity, dedication, and loyalty in building a successful enterprise” (Coloma, 2008).



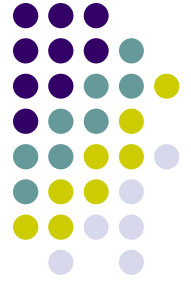
- How might Recommendation 1 be applied in your workplace?



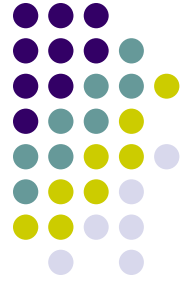
Recommendation 2

- Design physical and virtual workspaces in ways that foster effective and efficient communication while allowing time for concentration and creative, collaborative thought.
- Whether face-to-face or online, there should be an opportunity for cross-pollination of ideas between units and departments. This can be accomplished by formal meetings and events, but might be better served by purposefully structuring the work environment so that employees from various departments and with different job duties naturally and regularly interact in informal ways.
- This would logically and over time result in the formation of social bonds that enhance knowledge transfer (McFayden & Canella, 2004) and facilitate learning.

Recommendation 2

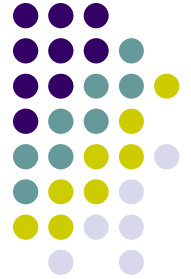


- Organizations must be sure, however, to combine such workplaces with tools and training that help knowledge workers prioritize the “flood of information they face and fend off irrelevant info-bytes” (Jackson, 2008).
- This can be done with actions as simple as limiting the broadcast and “reply all” functions on email to those situations in which it is clearly warranted, avoiding scheduling unnecessary meetings (Craig, 2008), and “considering the most effective and efficient way to distribute information” (The Times, 2008), which might involve limiting the use of email.

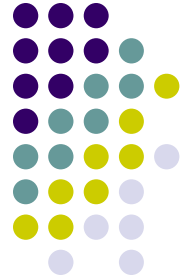


Evaluating Technology Effectiveness

- As stated by, Duarte and Snyder (2001), there are two key factors that help “evaluate the effectiveness of one technology over another in different situations: the amount of social presence and the amount of information richness required” (p. 26).
- Routine communication might be well-received via technologies with low social presence and information richness (such as regular mail and email), but “nonroutine situations that contain high interpersonal or emotional components or ambiguity and uncertainty usually require technologies with higher social presence” (p.27) and richness, such as telephone and video conferencing.



- How might Recommendation 2 be applied in your workplace?



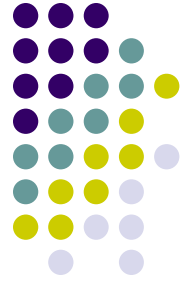
- "Creativity has to have the right conditions to survive. It has to be valued and then employees can feel free to be creative. Businesses attracting and retaining the best knowledge workers have a mix of creativity and focus" (Jackson, 2008).

Closing

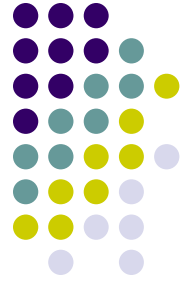


- In closing, organizations are increasing their use of knowledge workers in order to remain competitive in today's business environment. Studies have shown that knowledge workers have certain unique characteristics and desires, and that differences exist among them.
- For organizations to keep knowledge workers satisfied and committed, they should facilitate opportunities for communication, minimize distractions, and help them develop their full potential.

Closing



- “Keep in mind that the vast majority of knowledge resides in people’s heads, not in an organization’s database” (BusinessWeek, 2008). It is for that reason that firms must find a way to make workers convey the knowledge they have in their heads to others in the organization in order to contribute to the firm’s goals and bottom line.
- This must be done in a humanistic way. As stated by Coloma (2008), “If we truly value our people and provide them with an environment that enables them to fulfill their highest potentials - and if we offer them the highest possible returns on the investment of their human capital - then they are likely to respond by contributing their creativity, dedication, and loyalty in building a successful enterprise” (p. S1).



What About Other Workers?

- Could what we've discussed play a role in managing all workers, not just knowledge workers?
- Why or why not?



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