

October 2, 2008

Volume 3, No. 25

## Social Networking in Talent Management

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### Overview: The New Era of Talent Management

Corporate talent management is one of the most pressing issues in human resources and business today. The transformation of the global workforce and continuous business changes have created the need for an integrated approach to talent management – one which brings together the disciplines of workforce planning, sourcing and recruiting, performance management, leadership development, succession management, and compensation.

**Figure 1: Bersin & Associates High-Impact Talent Management Framework®**



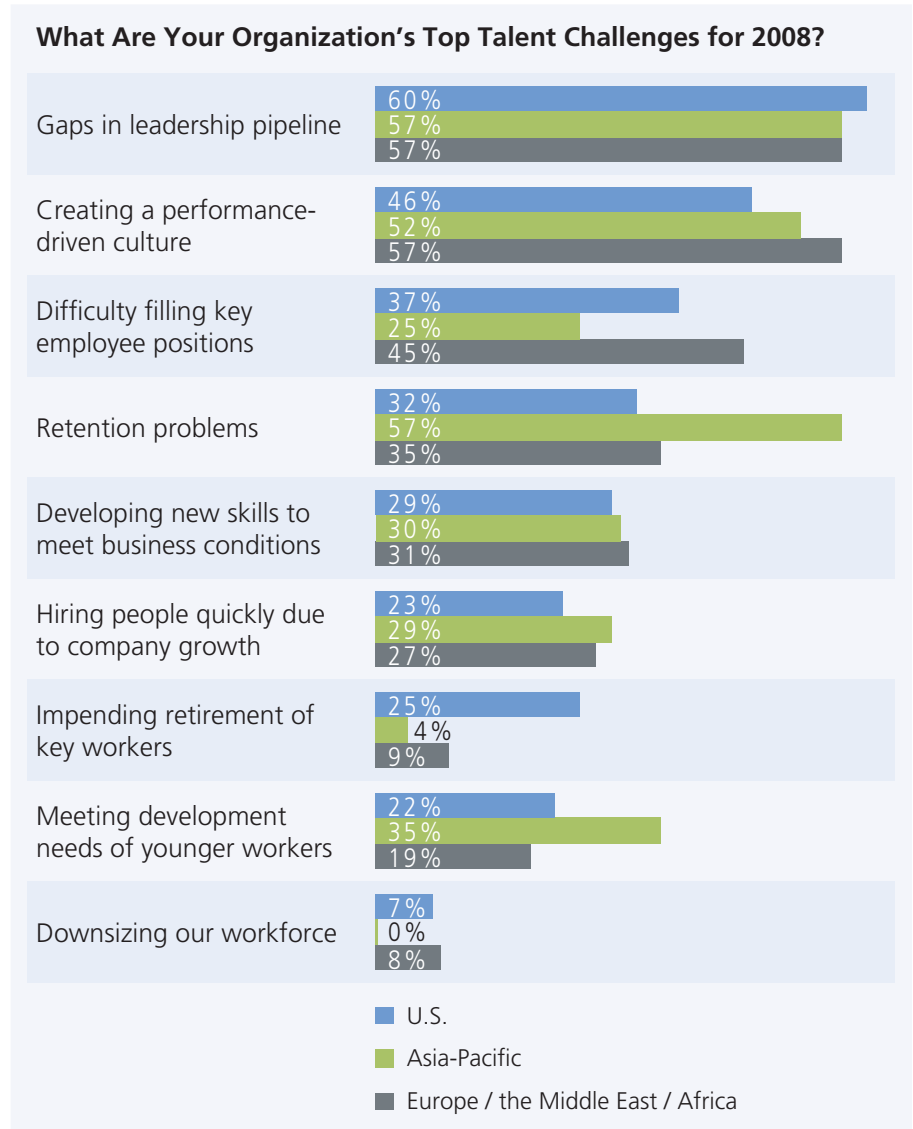
Source: Bersin & Associates, 2008.

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In today's economic and talent environment, organizations face two pressing issues. First, they are very focused on identifying and developing the next generation of leaders. Fifty-two percent of global corporations rate leadership development as their top talent priority for the coming several years.<sup>1</sup>

**Figure 2: Top Talent Challenges**



Source: Bersin & Associates, 2008.

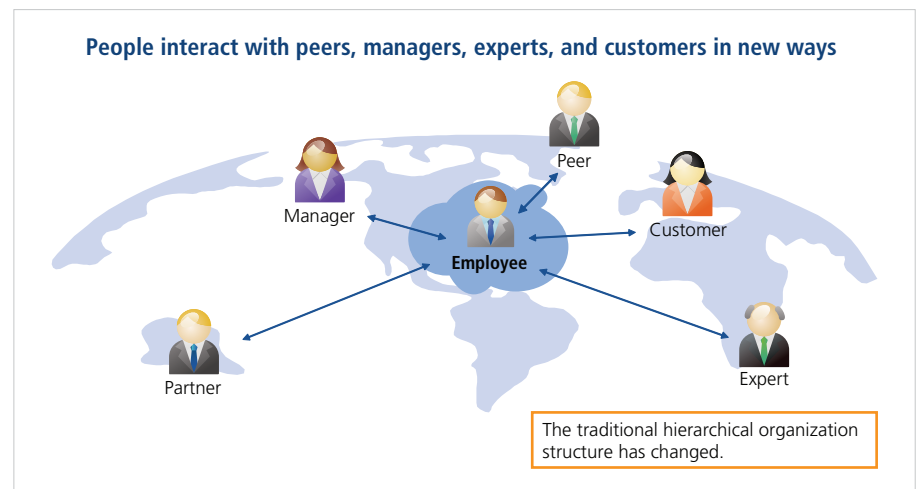
<sup>1</sup> For more information, *2008 Talent Management Factbook: Global Trends, Facts, and Strategies in Corporate Talent Management*, Bersin & Associates / Karen O'Leonard, June 2008. Available to research members at [www.bersin.com/library](http://www.bersin.com/library) or [www.bersin.com/tmfactbook](http://www.bersin.com/tmfactbook).



Second, organizations are focused heavily on improving the culture of performance in their companies, as a response to changing business conditions and a slowing economy. This second issue (that of driving a performance-oriented culture) demands a focus on new compensation models, improved forms of collaboration and the development of clear goals-based performance management processes.

In addition to these priorities, organizations are also dealing with a new organization model. No longer do people sit in an office next to their managers. Employees often work from home (or remotely) – and their managers may be located in another city. They interact with teammates, peers and customers through the phone, Internet and instant messaging. The result is a highly networked organization that must create alignment, collaboration and efficiency without the benefits of the “top-down” management model.

**Figure 3: The New Networked Organization**



Source: Bersin & Associates, 2008.

In addition, the rapid influx of new employees into organizations has created a renewed demand for onboarding and career management. *(Sixty-eight percent of organizations feel they do not have an adequate*

or effective onboarding approach for employees under the age of 25.<sup>2</sup>) Our research clearly shows that career development programs and strategies have become a critical element of talent management today. Organizations with centralized career models gain improvements in employee retention and engagement of 25 percent and higher.<sup>3</sup>

What does career management look like in today's organizations? It reflects today's reality that "the talent" is no longer the "top talent." In fact, organizations in all industries now realize that the people who drive the most value are often the nurses, engineers, customer service agents, sales representatives, field service technicians or IT professionals who used to be considered "individual contributors." These people have "pivotal roles<sup>4</sup>," which often require highly sophisticated skills and deep levels of experience.

In Bersin & Associates most recent business research<sup>5</sup>, organizations cited their weakest readiness in the areas of sales, customer service, first-line management and entry-level workers. These job roles are among the most pivotal, and require a high degree of functional skills and internal networking for ultimate success.

Consider Figure 4. Today's flattened organizations must have the "dual career" ladder model – each of similar importance. The traditional term "high potentials<sup>6</sup>" (which refers to future leaders) must be considered

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<sup>2</sup> For more information, *The High-Impact Learning Organization: WhatWorks® in the Management, Governance and Operations of Modern Corporate Training*, Bersin & Associates / Josh Bersin, May 2008. Available to research members at [www.bersin.com/library](http://www.bersin.com/library) or for purchase at [www.bersin.com/highimpact](http://www.bersin.com/highimpact).

<sup>3</sup> For more information, *High-Impact Talent Management: Trends, Best Practices and Industry Solutions*, Bersin & Associates / Josh Bersin, May 2007. Available to research members at [www.bersin.com/library](http://www.bersin.com/library) or for purchase at [www.bersin.com/hitm](http://www.bersin.com/hitm).

<sup>4</sup> A "pivotal role" is one that drives two-to-three times the business value of other roles.

<sup>5</sup> This information is based on our current research contained in our ongoing business reporting series, *TalentWatch®*, which is due to be published Fall 2008.

<sup>6</sup> A "high-potential employee" is an employee who has been identified as having the potential, ability and aspiration for successive leadership positions within the company. Often, these employees are provided with focused development as part of a succession plan and are referred to as "HiPos."

alongside the “high performers” who may never manage large groups of people.<sup>7</sup>

Figure 4: The New Career Model in Organizations



Source: Bersin & Associates, 2008.

In many ways this is nothing new. Organizations have had professional career ladders for years – but there has been a profound change. When we combine the networked nature of today’s organizations with the need to more rapidly develop such “pivotal” professionals, we find that today’s high-performing organizations are caught in a squeeze.

*How can we rapidly and effectively build high performers and future leaders within the new context of our networked organization?*

<sup>7</sup> For more information, *High Potential Versus High Performance: What Is the Real Difference?*, Bersin & Associates / Kim Lamoureux, July 11, 2008. Available to research members at [www.bersin.com/library](http://www.bersin.com/library).

The answer requires rethinking the term “talent management<sup>8</sup>.” The traditional approach of creating performance plans, goals, succession plans, rankings and nine-box grids is not going away. But it must take into account the dynamic and networked nature of organizations.

- Can an individual manager possibly rate, rank and develop a team of people who interact with each other in such an organization?
- How and from where does the manager gain information on these people?
- How can the manager understand the new competencies needed in this organization and create a development plan to foster success?

Some organizations are solving this problem through new competency models. One major consulting firm we work with recently “threw away” its old competency model and created a new one – that reinforces such skills as “network-building,” “collaboration and sharing of knowledge,” and “leading by example.” These are the new competencies which define leaders and create the high performers of tomorrow’s organizations.

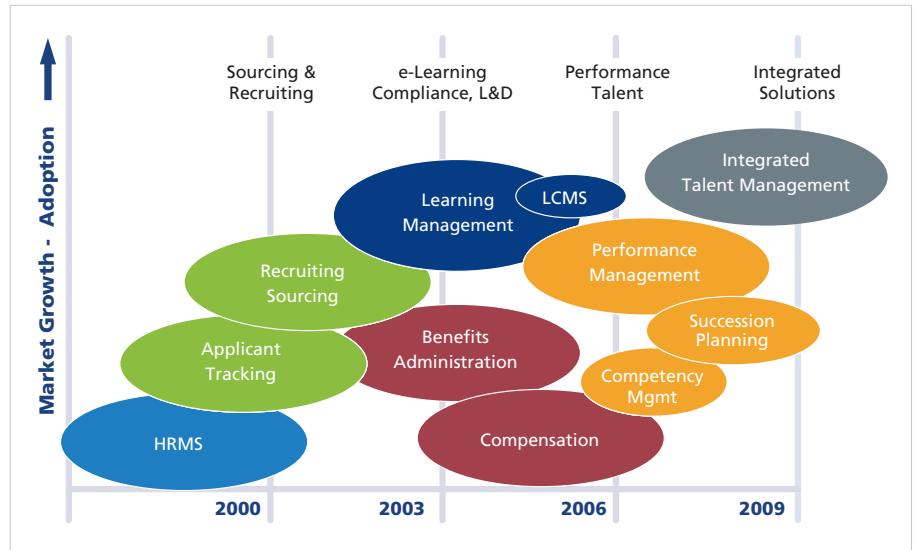
## The Role of Talent Management Technology

Enter technology. Today’s talent management demands a new approach to traditional HR systems.

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<sup>8</sup> “Talent management” is a set of integrated organizational processes designed to attract, manage, develop, motivate and retain key people. The goal of a talent management program is to create a highly responsive, high-performance, sustainable organization that meets its business targets.

Figure 5: Evolution of HR Systems



Source: Bersin & Associates, 2008.

Over the last 10 years, HR systems have evolved from back-office administration applications to employee and manager-facing systems – often designed to help people automate forms and share employee data. Today’s learning management systems, for example, operate as employee portals, offering a wide variety of online and informal learning solutions to employee. Performance management systems provide a place for employees and managers to review goals, track progress, create development plans, and manage succession plans and pools.

In today’s world of integrated talent management suites, new platforms provide an integrated portal that handles the entire talent management lifecycle, including:

- Recruiting and onboarding;
- Goal development;
- Performance management;
- Succession management;
- Development planning; and,
- Learning.

Organizations are snapping up these systems quickly. Our research shows that the performance management systems market alone will reach more than \$475 million in 2008<sup>9</sup> and is growing at more than 30 percent annually. The market for integrated systems (which includes recruiting, applicant tracking, performance and succession management, learning, and compensation) will reach more than \$3 billion by the end of 2011<sup>10</sup>.

## Enter Social Networking

When we look at all the key applications in talent management, we find that there is another important element which has emerged – the corporate social network. We have all had some experience with consumer social websites, such as Facebook, MySpace, LinkedIn or others. Inside corporations, this technology can play a major role in talent management and some talent management vendors are already integrating their own social networking platforms into their core talent suites. Considering the new networked nature of work, we believe social networking will both transform and dramatically improve the role of talent management software.

Consider the examples offered in Figure 6.

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<sup>9</sup> For more information, *High-Impact Performance Management 2009: State of the Market, Practices and Buyer's Guide*, Bersin & Associates / Leighanne Levensaler, October 2008. Available to research members at [www.bersin.com/library](http://www.bersin.com/library) or for purchase at [www.bersin.com/perfmgt](http://www.bersin.com/perfmgt).

<sup>10</sup> For more information, *Talent Management Suites: Market Realities, Implementation Experiences and Vendor Profiles*, Bersin & Associates / Leighanne Levensaler, January 2008. Available to research members at [www.bersin.com/library](http://www.bersin.com/library) or for purchase at [www.bersin.com/tmsuites](http://www.bersin.com/tmsuites).



**Figure 6: Applications of Social Networking in Talent Management**

Talent Management Application	Role of Social Networking
Sourcing	Identifying internal candidates quickly, based on their experience, job level, interests, skills and educational background.
Recruiting	Capturing résumés, and identifying key compensation and job requirements of candidates, both internally and externally.
Onboarding	Connecting new employees with similar peers, and creating a cadre of coaches to help employees rapidly learn and assimilate into the organization. Making new employees feel valued and connected through their internal profiles, photos and interests.
New Hire Training	Connecting new employees to experts during training to support their development process in the critical first few months on the job.
Informal Learning	Supporting the 80 percent or more of learning "on the job" by access to experts, communities of practice <sup>11</sup> and job-aids provided by others in similar roles.
Workforce Planning	Identifying pools of employees with similar levels of expertise, experience and interests to identify areas of need or groups that can be moved into new positions. Rapidly analyzing groups at risk (e.g., retirement, skills gaps, et al), based on demographics and skills information that is updated in "real-time" by the employees and managers themselves.
Succession Management	Identifying "groups" and "networks" of people who work together to locate logical successors in critical roles. Rapidly identifying work teams for 360-degree assessments.
Alumni and Retirement Networks	Creating and fostering continuous connections to the company through external social networks which connect to the internal social network.
Customer Retention and Analysis	Creating customer communities around products, services and interest areas to create engagement and product feedback. Creating customer "idea storms <sup>12</sup> ," which enable customers to rate and rank ideas and product requirements. Allowing customer support personnel to support customers in a public forum to improve customer retention and support culture.
Sales and Technical Training	Enabling sales, technical and support personnel to rapidly find experts to support them in times of need. Creating communities of practice that are easy to find and join, based on an employee's role, organization and skills.
Employee Engagement	Creating open networks for employee communication and executive-level discussions, creating open lines of communication and improving employee engagement.

Source: Bersin & Associates, 2008.

<sup>11</sup> A "community of practice" (or "CoP") is often defined as a group of people who share an interest or concern about a common topic, and who deepen their knowledge in this area through ongoing interaction and relationship-building within their group. While communities often come into being spontaneously, they nonetheless require nurturing if they are to become valuable to the members and remain viable over the course of their evolution.

<sup>12</sup> An "idea storm" is a web-based suggestion system that allows customers or clients to input ideas and then vote on them. The system automatically aggregates all votes, and moves those suggestions or ideas with the most "votes" to the top. Dell's IdeaStorm and Starbucks's MyStarbucksIdea are examples. These are now easy to develop and many platform providers can enable such functionality.

Our research on social networking gives many examples of such applications taking place today<sup>13</sup>.


- Expertise Finding: **IBM**
- Communities of Practice: **Defense Acquisition University**
- Blending (Pre or Post) with Formal Learning Programs: **Symantec**
- Peer-to-Peer Learning / Mentoring: **Computer Associates**
- Bottom-up Knowledge Management: **Federal Reserve Bank of Cleveland**
- Performance Support: **Proctor & Gamble**
- Fostering Corporate Identity: **Wachovia**
- Succession Planning: **Government of Canada**
- Recruiting: **Central Intelligence Agency**
- Extended Employee Relations (e.g., alumni, retirees, interns): **Deloitte Touche Tohmatsu**
- Strategic Onboarding: **RWD**
- Product Development and Innovation: **Dell**
- Customer Outreach: **Zappos**

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<sup>13</sup> For more information, *Social Networks for Enterprise Learning and Talent Management: A Primer*, Bersin & Associates / David Mallon, June 2008. Available to research members at [www.bersin.com/library](http://www.bersin.com/library).

## Examples of Social Networking in Action

### Case in Point: Global Staffing – Speeding the Onboarding and Employee Productivity Process

A well-known global staffing company, hiring hundreds of new employees monthly, faces ongoing issues surrounding turnover and time to proficiency. Using corporate social networking as an integral part of the employee onboarding process, the company has been able to more rapidly socialize new hires by immediately connecting them to active communities of practice (CoPs). Before the new hire even reports for his / her first day, he / she is given access to a wealth of company information via blogs<sup>14</sup>, wikis<sup>15</sup> and discussion forums. He / she can link with his / her assigned mentor immediately and interact with team members. 


### Case in Point: Professional Services – Creating Deep Levels of Skills

A well-known regional professional services firm has made organizational learning a priority. Professional services firms are very dependent on skills to succeed. The company uses e-learning and instructor-led training not only to keep employees up to date on service offerings and industry expertise – but also to continually impress upon staff the motivating mission and values of the organization. Supplementing existing training programs with an enterprise social networking platform allows the company to encourage conversations before, during and after the formal training has ended. Informal learning goes on in interactive communities year-round and drives learning retention.


<sup>14</sup> “Blog” is a shortened form of the phrase “web log,” which is a form of personal publishing that readers can discuss.

<sup>15</sup> “Wiki” is from the Hawaiian word for “fast” – and stands for web pages that can be collectively and collaboratively edited on the fly by readers.

*Case in Point: Professional Services – Creating Deep Levels of Skills (cont'd)*

As an ongoing performance support tool, social networks and learning communities ensure that the workforce is continually refining skills, updated on the firm's service offerings, exchanging innovative ideas internally, and delivering real value to clients. 

### **Case in Point: Reseller and Partner Training – Building Skills and Reseller Effectiveness**

A major software company relies on a network of resellers to distribute its complex technology products across the globe. Keeping distributors current on products and services is an ongoing challenge. Ensuring that resellers are highly effective is core to business success. With partner communities, delivered via an enterprise social networking platform, the organization has a centralized place to provide critical product information and sales tools to partners. New resellers end up learning directly from the most-successful channel partners, no matter where they are located around the globe. Lastly, active innovation communities let partners give priceless feedback on what is working and what needs improvement – both from a product development standpoint and in terms of channel sales programs. 

### **Evolution of Today's Talent Management Software Providers**

So, where are we? How can an organization integrate social networking into its talent management systems strategy?

This is an area of rapid growth. Today's talent management software providers are rapidly implementing features to support social networking within their products.

Some of the typical software functions you should expect are listed in Figure 7.

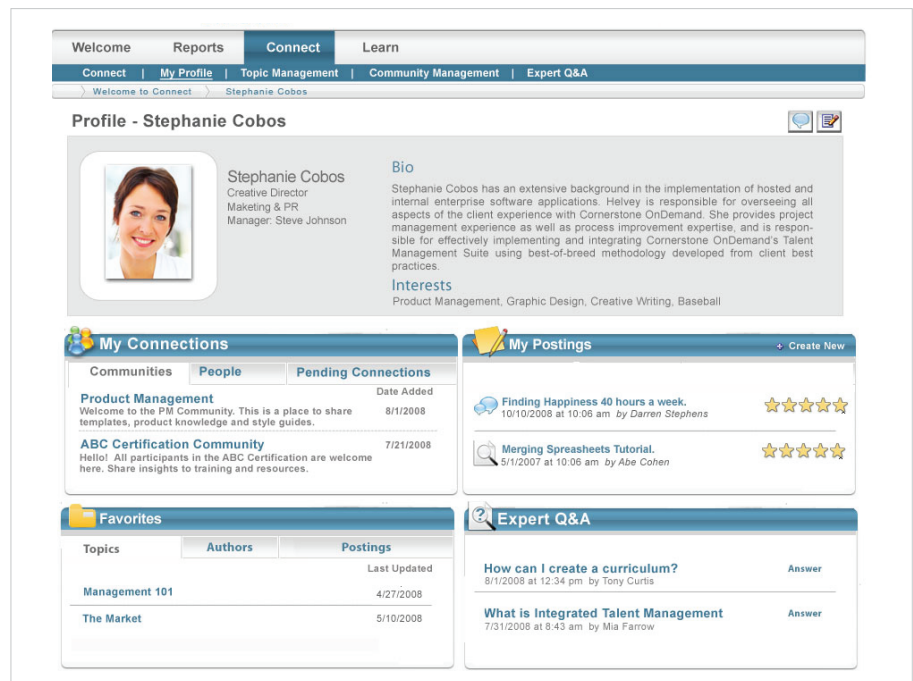
**Figure 7: Common Social Networking Features**

Social Networking Features	Description
Rich Employee Profile	Extensible, searchable profile that includes HR, training, employee interest, career progression and other important information – for use as an employee “Facebook” or “LinkedIn” application, expert directory, and for career development and succession management.
Communities of Practice	Software that enables people to join communities, collaborate and share information, discuss topics, and subscribe to critical information in their subject areas.
Collaboration	Many features that facilitate collaboration, including presence awareness, messaging, integration with live web-conferencing, email lists, “twittering” <sup>16</sup> and much more.

Source: Bersin & Associates, 2008.

## Rich Employee Profiles

**Figure 8: Employee Profile**



The screenshot shows a user interface for an employee profile. At the top, there is a navigation bar with tabs for 'Welcome', 'Reports', 'Connect', and 'Learn'. Below this is a secondary navigation bar with links for 'Connect', 'My Profile', 'Topic Management', 'Community Management', and 'Expert Q&A'. The main content area is titled 'Profile - Stephanie Cobos'. It includes a profile picture of Stephanie Cobos, her name, title (Creative Director, Marketing & PR Manager), and a bio. Below the bio are sections for 'My Connections', 'My Postings', 'Favorites', and 'Expert Q&A'. The 'My Connections' section has a table with columns for 'Communities', 'People', and 'Pending Connections'. The 'My Postings' section has a table with columns for 'Postings' and 'Date Added'. The 'Favorites' section has a table with columns for 'Topics', 'Authors', and 'Postings'. The 'Expert Q&A' section has a table with columns for 'Questions' and 'Answers'.

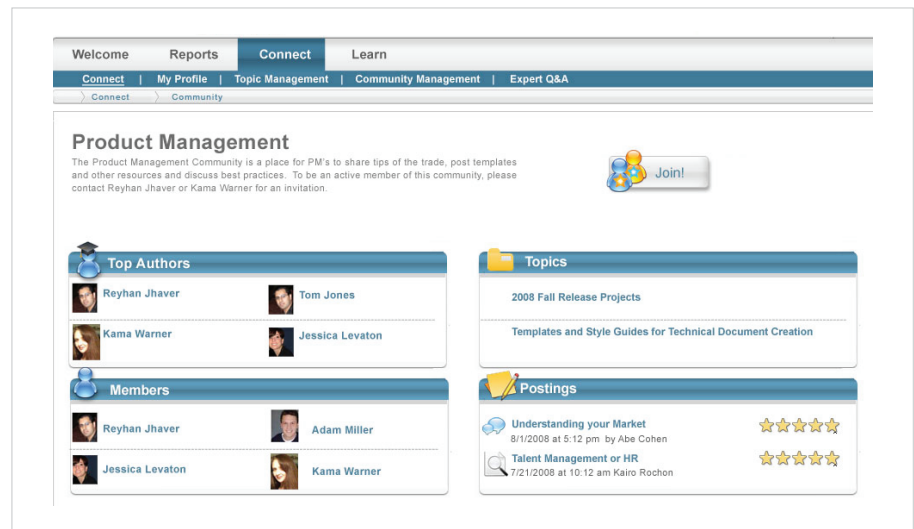
Source: Cornerstone OnDemand, 2008.

<sup>16</sup> “Twittering” is the concept of short, frequently updated messages from individuals (patterned after the website [www.twitter.com](http://www.twitter.com)) to allow people to “follow others.” It is useful to find people and identify what they are doing, similar to the “presence awareness” available through instant messaging. Twittering is discussed in more detail in our report, *Social Networks for Enterprise Learning and Talent Management: A Primer*.

Such rich and extensible employee profiles enable both HR and the employees themselves to extend the information available to others in the organization, including work experience, interests, languages and certifications, as well as job history.

## Communities of Practice

**Figure 9: Community of Practice**

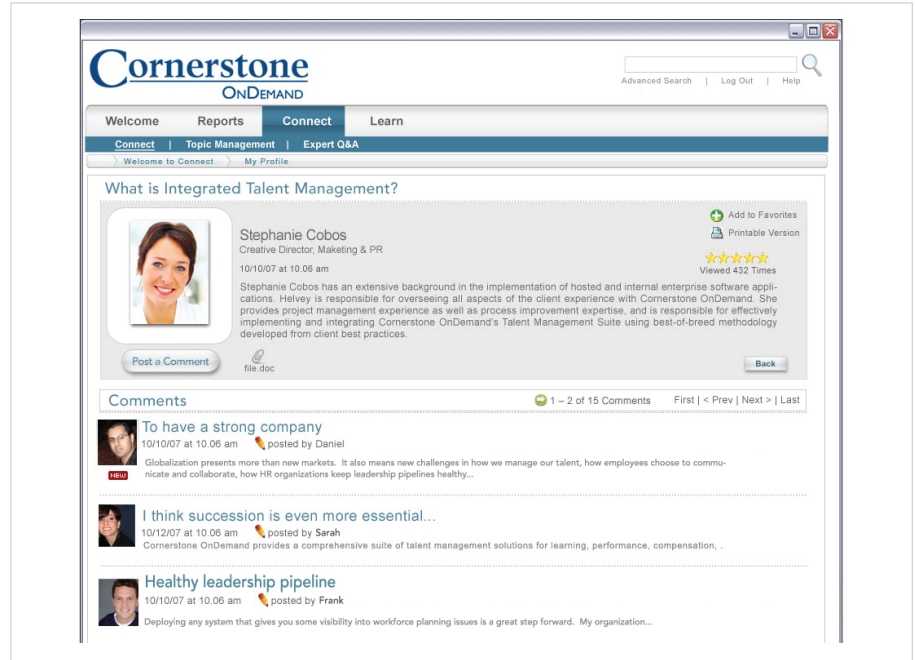


Source: *Cornerstone OnDemand, 2008.*

Communities of practice are widely used among technical support professionals, research scientists, engineers and now even managers. Bersin & Associates research library contains many examples of CoPs in action, including those used by organizations as conservative as the U.S. Army and the Federal Reserve. By building CoPs from the talent management system, user profile information, organizational information and employee interests are automatically available. In addition, the system can track usage and participation in CoPs, enabling new information for succession management and career management.

Collaboration

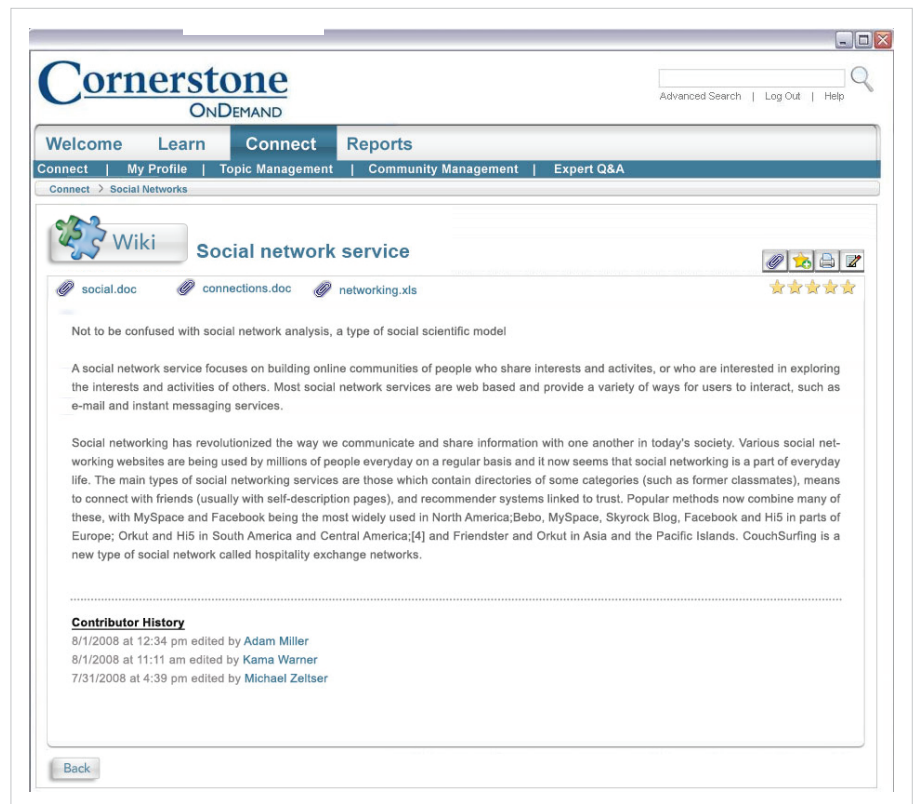
Figure 10: Collaboration



Source: Cornerstone OnDemand, 2008.

There are a wide variety of collaboration systems available today – and many are implemented as standard platforms from the IT organization. Many talent management tools now include collaboration features to take advantage of the built-in profiling information of the system. In manager applications (like performance management), the newest generation of talent management systems enable managers and employees to collaborate, share information and keep track of employee performance through collaboration – and store this information in the performance management system.

Figure 11: Wikis



Source: Cornerstone OnDemand, 2008.

## An Important Topic to Consider in Your Company's HR Systems Strategy

Our research shows that this is a new and emerging area of corporate systems. Only five percent of our research members believe they have a complete, enterprisewide strategy for internal social networking.

In addition, the ownership and governance of the internal network may reside within IT. These systems must be integrated into the organization's firewalls, security standards and directory strategy – they must also link to the company's internal HRMS.

But we think it is very important to realize that corporate social networks will play a major role in talent management. Ask your HR systems vendor what the plans are in this area, and consider it the "next frontier" in your ongoing efforts to create a high-performing, engaged and productive workforce.



## For More Information

For more information on the use of social networking in enterprise learning and talent management, please read Bersin & Associates research reports, *Social Networks for Enterprise Learning and Talent Management: A Primer*<sup>17</sup> and *Enterprise Social Software 2009: Facts, Practical Analysis, Trends and Provider Profiles*<sup>18</sup>.

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<sup>17</sup> For more information, *Social Networks for Enterprise Learning and Talent Management: A Primer*, Bersin & Associates / David Mallon, June 2008.

<sup>18</sup> For more information, *Enterprise Social Software 2009: Facts, Practical Analysis, Trends and Provider Profiles*, Bersin & Associates / David Mallon, September 2008. Available to research members at [www.bersin.com/library](http://www.bersin.com/library) or for purchase at [www.bersin.com/socialsoftware](http://www.bersin.com/socialsoftware).