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# Talent management as the beating heart of an Agile Organization

*Agile talent management: short-cyclic, iterative, people-focused,  
feedback-driven and supported by data*

*by Hanneke Gieles & Wouter van der Meer*

## Abstract

The role of HR in an Agile world is to facilitate and improve organizational Agility and increase talent motivation. This implies: effectively changing the HR's mission and role to the more coaching and serving role of talent-specialists. This in contrast to the traditional way, where the job of HR is mostly seen as implementing controls and standards to drive execution. The role of HR, in Agile organizations, changes from executing (Human Resources Management) to coaching and providing services (talent-specialists). Changing the HR approach brings five advantages: a. good support for the Agile way of working in the teams, b. improved employee engagement and development, c. more effective learning organization, d. more effective recruitment and e. more effective performance management.

In this paper a vision on this changing HR approach and the components playing a role in achieving these five advantages is presented. The change to move from a traditional Human Resource approach to Agile team(s) of passionate talent-specialists that deploy real talent management is addressed here. By doing so, not only the HR department is impacted, but also teams and management.

To support this HR transformation we introduce: the HR->T model, to support transferring Human Resources Management into talent management. The model places talent team(s) at the heart of an Agile organization, and consists of five components. These five components are:

1. Talent Organization (planning and organization)
2. Talent Acquisition (recruitment and selection)
3. Talent Management (compensation, performance, training and development)
4. Talent Data (collection and analysis of data)
5. Talent Strategy (proactive changes and innovative ideas)

It takes several steps to go from a siloed HR process to business driven strategic talent management. In an Agile organization there will be a team (or multiple teams) of talent-specialists that are working in an Agile way. They support and coach teams and management to increasingly take on more HR responsibilities while maturing. In this paper we, firstly, present how both HR and the organization can benefit from HR working in an Agile way on the one side. Secondly we also address how the HR department can adapt to an increasingly Agile environment. It has been written for HR specialists, managers and Agile teams, to help them understand existing dilemmas and to inspire taking next steps on the path towards full HR Agility.



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## Introduction

Organizations are reinventing themselves continuously to outperform their competitors in a constantly changing world. Companywide responsiveness is for most companies a necessity to survive, but in most cases an unpredictable and bumpy ride.

In our day-to-day work we see a pattern arise: HR is mostly not involved in the organizational changes towards Agility and as an effect a strong gap emerges between the continuously evolving organization and the traditional Human Resource department.

This development leads to a complete misfit between HR instruments and the organizational needs.

The first value of the Agile Manifesto states 'Individuals and Interactions over Processes and Tools'. Which means we value people and the interactions between people over processes and tools, where these processes and tools should support human interactions and not undermine them. HR in essence is meant to support the first.

But if 'Individuals and interactions' is actually what HR is about, we see a big opportunity for HR to get off the back seat and take a position where it can be a driving force of organizational Agility. HR has to reinvent itself to fulfill this promise, and we feel the urge to help people with a heart for HR to get in this position.

In this paper we introduce and explain our vision on the role of HR in Agile organizations.

## What is the role of HR in Agile organizations?

HR can be viewed from different perspectives. For example: HR as a department, HR as a function, HR as a role, HR as a responsibility, HR as a task, and more.

In Agile organizations we try to put as much responsibility as low as possible to establish ownership and fast decision-making. We therefore also believe HR does not have to be a department. HR should be felt and executed throughout the entire organization and be part of the organizational DNA.

What we do know is that there always needs to be someone(s) that feels HR as their main responsibility. This person is or these people are continuously looking to the future with the aim to increase the impact of talent.

This means that HR will need to have a more strategic position and approach. Moving its focus from operations and execution towards proactive examination on how to increase the impact of human talent and the empowerment of the entire organization.

Looking at Agile HR we see 3 different trends:

1. HR will need to become responsive itself to keep up with the fast changing environment by using techniques and practices from the Agile and lean mindset;
2. HR will need to adjust the services to the demands of the Agile organization;
3. HR will need to become the driving force of the transition to an Agile organization in order to attract and retain the best talent in the market.

In the following chapter(s) we will introduce the HR->T Model which gives a deeper insight in how to make HR the beating heart of an Agile organization and how it enables individual and organizational Agility.

## How does the HR->T Model work?

HR addresses many different aspects. Those aspects can be divided over 5 main components, and these form the core of the HR->T model. To visualize this, the analogy of a heart is used and this is represented in the HR->T model. In this paper we introduce the HR->T model and its five components, that position Agile talent team(s) as the beating heart of an organization. In this model we plot 5 important components.

- Talent Organization – Planning and organization aspects, that focusses on a more Agile way of working for the HR team itself, so it can react faster and work more effectively. It also focusses on the role the future talent team(s) play in showcasing the Agile way of working, becoming an ambassador within the organization.
- Talent Acquisition – Compensation, performance, training and development aspects of traditional HR.
- Talent Management - Recruitment and selection aspects that will need to respond to an Agile internal demand and external supply environment, that will be referred to as talent acquisition.
- Talent Data - Collection and analysis of data to support decisions in, and give direction to the other components.
- Talent Strategy – Proactively predicting changes in the environment and try out innovative ideas to improve all aspects of their work.

Then it zooms in on the 5 components of the model, by answering the following questions:

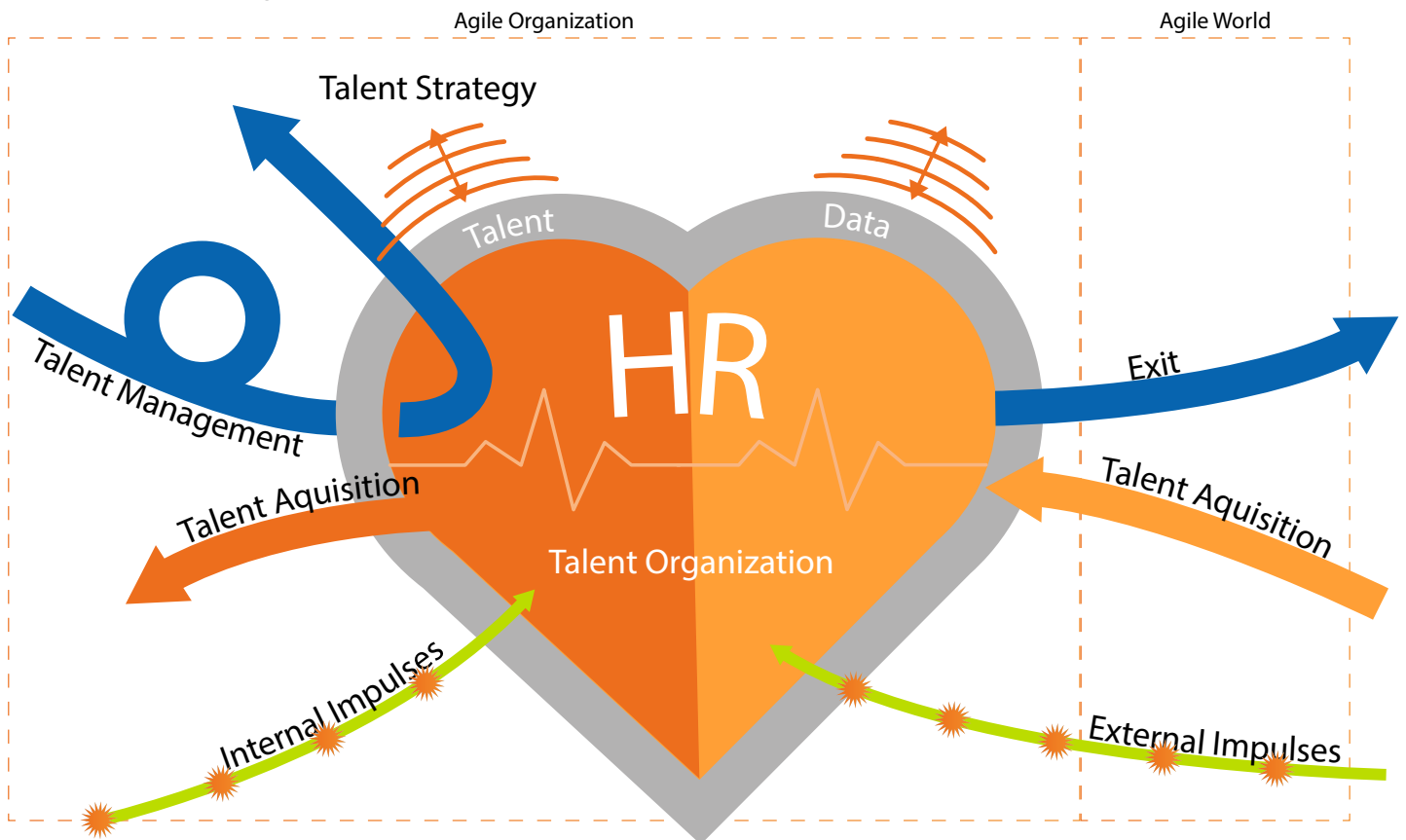
1. How can a talent team deliver more value in a fast changing world?
2. How do recruitment criteria and approach need to change in an Agile organization?
3. How do we improve the employee experience and their performance in an Agile organization?
4. How can talent teams improve the collection and use of data to test assumptions?
5. How can we take a proactive strategic, yet innovative and Agile approach to talent management?

Some common services are centrally supported by the talent team(s) to support the teams.

The work of the teams is concerned with talent acquisition and talent management, where a shift from execution to coaching takes place. With more work done by the teams and managers, more time can be made for the collection and analysis of Data for improvements and to support the

talent strategy development. Also based on the lean and Agile mindset, the Lean Startup method can be used by the talent team(s) for coming up with innovations for recruitment and employee development. These innovations will help the organization to stay ahead of other employers in the market, improving the success of recruitment and retention of employees.

Adopting an Agile way of working will increase effectiveness and speed of the HR team themselves with which they can adjust to impulses from the market, organization, teams and individuals. This also showcases



the benefits of Agile working to the rest of the organization. As such, they become an ambassador for Agile working, maybe also being an inspiratory for others. To cut a long story short: times are changing and in order to keep up with the increasing speed in the market, it is crucial that the HR department changes too.

### 1. Talent Organization

Like the heart, the talent team beats in a steady rhythm (Agile way of working). It receives impulses from the outside world and from different parts of the organization, so it can react and speed up or slow down, as needed. The talent team is people focused, works iteratively and is feedback driven; and all of this is strongly supported by real-life data. Again there is much resemblance with a heart. A heart works together

with the brain (management/leadership) to make sure the Agile teams get the right training, skills, experience, mindset and guidance. This is mainly the Planning & Organization component in traditional HR management. In the model the term talent organization is used for the services and coaching provided by the talent team. Responsibility is shifting from the talent team to line management and eventually even the teams, as the teams get more and more mature. The work of talent team(s) can be roughly divided in two types of work: 1) acquisition of new employees and 2) growth of existing employees. This is comparable to functions of the heart: to pump blood through the body and to make sure the blood gets loaded and unloaded by sending it to the right places. This comes back in the two following components; talent acquisition and talent management.

## 2. Talent Acquisition

The objective is to get the right people to the teams and the term talent acquisition is used to cover the Recruitment & Selection component from traditional HR management. Impulses from the organization indicate the demand and together with the knowledge of the talent team a good profile emerges. This profile can quickly be adapted to variations in demand or new insights, as the team works in short iterations and is strongly feedback-driven. The Agile way of working also helps to continuously adapt the recruitment approach to an ever changing recruitment market.

## 3. Talent Management

This component covers the Compensation and Performance and the Training & Development components of traditional HR. Motivating employees has changed over time and the move to self-managing teams has added to the need for change. The performance and compensation approach needs to be adapted to this. For training and development the responsibility and ownership moving away from the talent team to the business and the team and individual. The more mature the teams, the less extra coaching and support they will need from the HR team, similar to full-grown limbs that need less effort from the body to function.

## 4. Talent Data

Also the HR world becomes more complex and huge amounts of data become available through new techniques. With that the necessity to use this data and become data driven increases rapidly. Ignoring the information available leads can often lead to the wrong decisions, especially as the work and the environment becomes more complex. This



is similar to signals flying around through nerves in the complex world of the body, where some parts continuously triggers actions in some another parts. Not many actions happen autonomously, without reaction to some information.

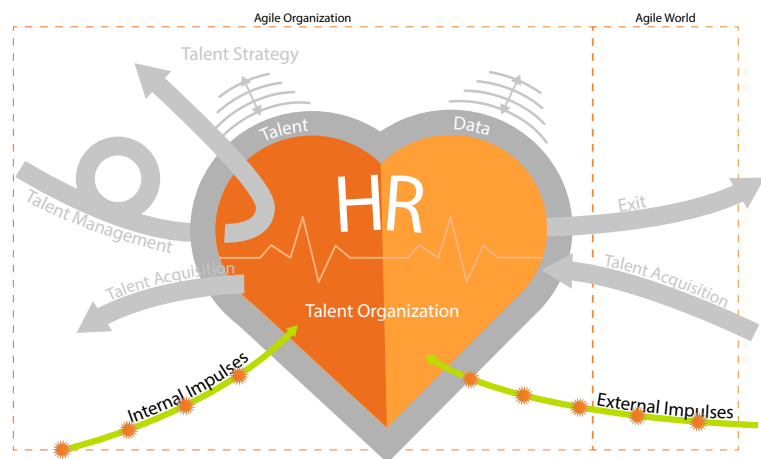
## 5. Talent Strategy

The capacity of the heart, like the talent team, can be consciously and proactively trained to be prepared for future demands. Testing ideas to increase the knowledge on how to improve the acquisition and growth of the employees. Also finding new ways on how to improve the services provided.

HR will be the critical driver for organizational responsiveness and the HR->T model is a means to illustrate that. It brings together the different traditional aspects of HR and how they translate to different components of talent coaching and Services, while at the same time adding new components like Strategy and Data.

## How can a talent team deliver more value; especially in a fast changing world?










When looking at the planning and organizational aspects of talent and the talent team that supplies them, they are referred to here as the talent organization component in the HR->T model. There are three ways to look at Agility in this context; The talent team itself can become more responsive by adapting an Agile way of working. Next to that the talent team can proactively undertake action on predicted changes in future or test new and innovative ideas to learn from and to improve the talent aspects in the organization. Thirdly it can change the role talent components have in the organization. Traditionally the job of HR is mostly seen as implementing controls and standards and drive execution. The role of a talent organization in an Agile world is more to facilitate and improve organizational Agility, effectively changing the traditional HR's mission and role to more a talent specialist role. The talent organization is the accelerator of talent within the organization and should deliver a strong, focused mission and values to keep everyone aligned.



Firstly the work of a talent team, like any other team, consists of 4 types of work:

- Plannable work for customers
- Time critical work for customers
- Urgent Ad Hoc work for customers
- Improvement work

Using Agile values, principles and practices HR can become more value driven, moving from solely execution towards talent coaching increasing their impact in the organization. Depending on the current situation of the HR function different Agile practices and frameworks can help organizations getting there.

CoS	Logged	Acknowledged	Resolution	Closed
Expedited				
Standard				
Fixed Delivery Date				

Working with any Agile method such as Kanban (see image), Scrum or a combination of in the form of Scrumban will result in more transparency in the workload and the way of working. Which method is chosen depends on what type of work is most common and many other factors. This is beyond the scope of this paper. In practice many Agile talent teams choose to use

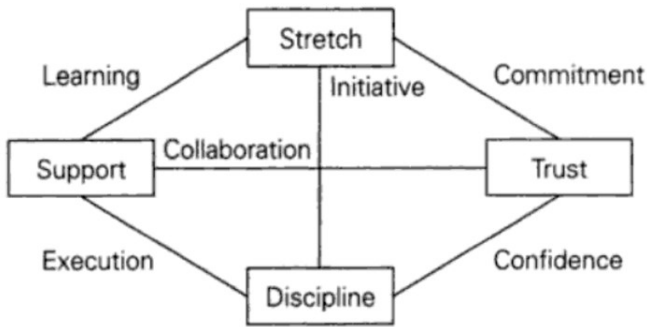
Kanban or Scrumban, because it uses incremental evolutionary change based on the present way of working. This is less disruptive in the implementation and therefore attractive to implement in an operational team. Any Agile way of working is a short-cyclic, iterative and feedback-driven way of working. It results in delivering continuously what is requested, allowing for continuous changes in that demand. It facilitates continuous prioritization, visualizes the work and shows where the waiting queues are. This work is often not transparent to the customers, nor to the team itself or the management. The consequence of this can be that the team gets overloaded and waiting times are increasing, without it being clear why. By working in an Agile way it is possible to optimize the workflow continuously. With the generated metrics the organization can clearly see when their request will be resolved and why not earlier or later. As a result the team gets more understanding from the outside world and starts to be in control of the work and the priorities. Over time the work will start to shift from mainly ad

hoc and time critical operational work to more strategic and plannable work due to part of the operational work moving to the organization and part being automated. By giving demos, coaching others and being much more involved with the rest of the organization, the talent team will increase motivation and deliver higher quality. The qualities and contribution of talent-specialists team becomes more visible in the organization and gain a different respect as specialists.

Secondly, looking at the aspect of improvement, the talent team can start improving existing practices and tooling, but also start testing with really innovative ideas. In this respect innovation could be seen as improvement of existing tools and practices and disruptive innovation as the really new ideas. In the section about talent strategy more attention is given to the disruptive innovation and how to embed this in the organization. Improvement of existing tools and practices can have several goals: When moving more of the execution work to the rest of the organization, that are having less specialist knowledge and time, simplification and automation are a crucial to success. Another goal is to make things more transparent, so the rest of the organization understands better why things are the way they are, this reduces resistance and opens the conversation for further improvement. By doing both of the above the whole set of tools and practices is more and more owned by the organization and becoming part of people's DNA. Goal is to create "systems of engagement" not just "systems of records,". Last, but very important, is the need to stay up to speed with new developments in the market and to be sensitive to what is going on in the organization. By doing so the organization keeps a healthy position in the talent market and is able to attract and retain employees.

Thirdly, the talent teams mission is to facilitate and improve organizational Agility. This is done in two ways. On one side by working Agile as talent team, the team also becomes a very public showcase of the benefits that Agile working can bring to any team, also non-IT teams. As the talent team touches the whole organization with its work, it is a highly visible showcase with a lot of impact. This of course also gives high impact in case of failures and also that can and should be used to leverage mind shift across the organization about accepting failure as a way to learn.

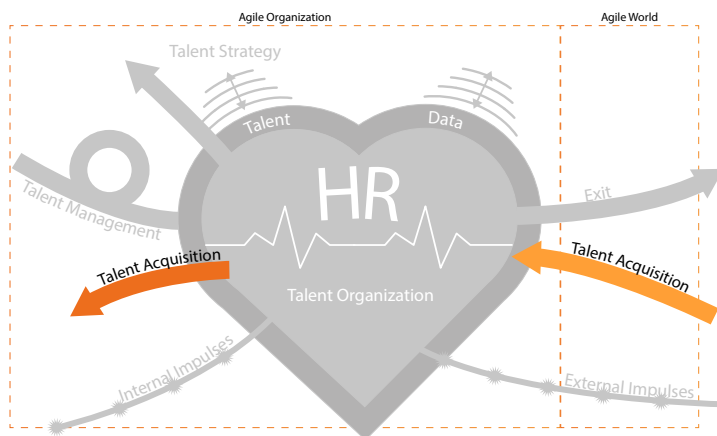
On the other side HR is responsible for creating a context where people & departments reinvent themselves. Therefore several elements have to be in place. It is about creating a context with a right balance between Discipline, Stretch, Trust and Support<sup>6</sup>. Support and Discipline functions are underlying the Execution aspect as shown in the image. Here the transfer of the execution responsibilities to the line managers and



eventually to the teams, depends on the maturity of the management and the teams on one side and on the maturity of the HR systems and the HR employees on the other side. With the support and discipline moving more towards the organization, there is room for more focus on Stretch and Trust, that result in a more coaching and facilitating role for the talent team. This is a change process that will

not happen overnight and requires the mission and focus of the HR team to totally change towards driving programs that drive execution.

How do recruitment criteria and approaches need to change in an Agile organization?



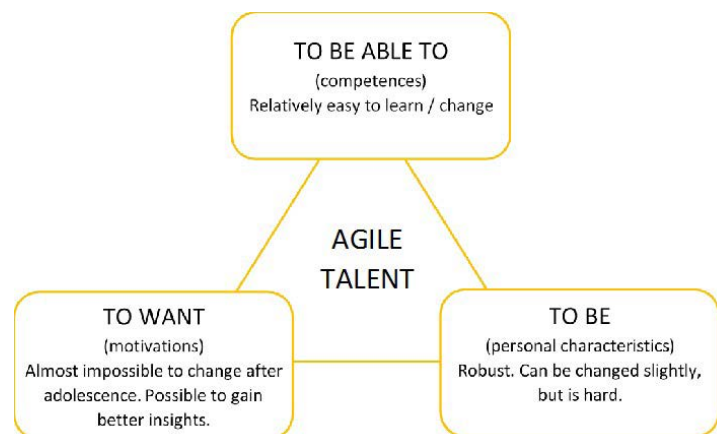
Talent Acquisition targeting the new generation of Millennials differs in many ways from traditional recruitment and selection. Two parts can be distinguished: Understanding and coaching the demand inside the organization on one side and understanding and influencing the supply outside the organization on the other side. Speaking about acquisition and demand / supply indicates that the process is resembling a sales process and that is for a large part correct, be it that the process and balance is somewhat

reversed recently. Before the market changed from abundance to a scarce market of knowledge workers, an organization was purely on the demand side. The organization was looking for employees that had things it wanted to have in the organization and employees were trying to be noticed by employers as suppliers would. Recently that has changed with the increasing scarcity on the market, now the employers in a way have also become suppliers themselves. They are having to look at branding and selling, much like for sales, their organization and positions to the future employees. That also means that the organization now is having a recruitment funnel (like a sales funnel) that is not filling up that easy anymore and success percentages are dropping. This is reflected in a rise in the number of head-hunter agencies for non-executive positions. The acquiring and selection process has 2 parts:

1. Preparation (charting out the organizational demand side)
2. Attraction, Selection and Verification (working with market supply side)

Starting with the organizational demand side, what has changed? With new ways of working the focus has changed on what the organization finds important in an employee. Therefore the Preparation phase has changed over time and in an Agile organization. How would we define Agile talent and how is it different from the talent we were searching for before? Due to working in self-managing teams, where learning is a continuous process, competencies are still needed, but the motivation and personal characteristics are becoming relatively more important.

The higher levels of transparency, cooperation and collaboration also require a certain motivation and specific characteristics. Problem is that these are very hard to change, contrary to competences. It therefore makes sense to start looking for employees that have the right motivation and personal characteristics and to a lesser extend the skills and knowledge. In addition there is the need to find the right match between the vision mission and values of the candidate and the purpose of the organization. This is much like finding the right wine to go with a certain dish. In some cases the best wine around might taste horrible in combination, while a slightly lesser wine might make the perfect match.



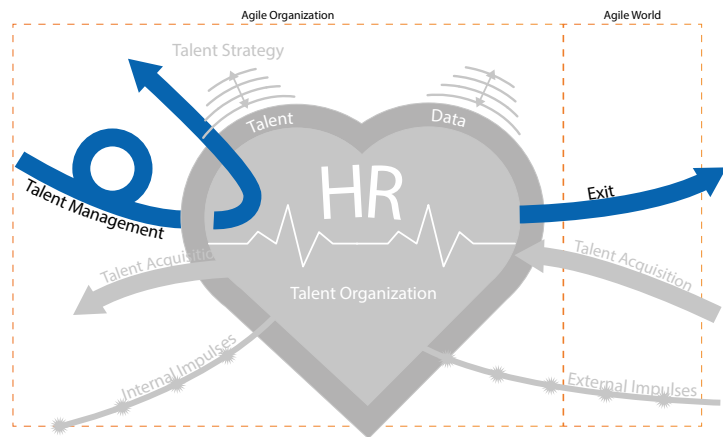
Due to the more Agile way of working and the rapidly changing work environments, there is also a shift in the form of intelligence that we are looking for. Traditional IQ was already making the shift to EQ and is now shifting further by adding AQ (Adversity Quotient), the ability to respond to change and challenges) to the list. This makes traditional job descriptions and assessments less useable and they need to be rewritten. Also the demand is much more depending on the specific requirements of the position and the team that offers the position and less on the specific off-the-shelf function description. This requires a much closer collaboration between talent team and the organization. The talent team has a coaching role to make sure the search criteria are realistic and there is a chance of finding this person in the market. The talent team is putting the team in the lead of the acquisition request, making sure the criteria objective and measurable by providing the coaching, knowledge and tools to do that.

Which then brings us to the Attraction, Selection and Verification process. In the market of scarce supply, the attractiveness of the company becomes essential to potential candidates. In the earlier days financial rewards were the most important in attracting employees. Now autonomy, mastery and purpose<sup>4</sup> are becoming more important for future employees, once the financial reward is sufficient. Also the work environment, co-workers, work-private life balance and learning possibilities are counting heavily. These things add to the employer branding, just like having a good exit policy, so former employees end with a good experience and become ambassadors for the organization in the market.

Once having attracted candidates, focus is on selecting candidates who's motivation and personal characteristics match the company and the position. That requires to look further than a motivational letter and a Curriculum Vitae. Much more work goes into the selection process, where looking into the (online available) environment of the candidate before inviting them, helps to get a feeling of the person. In the 1st interview there again one goal is to attract the candidate to the organization, securing his / her interest, which makes that the interview should be based on the feeling of equality. From the side of the employer, getting an understanding of the learning capacity, motivation and personal characteristics of the candidate is crucial. On the other side the candidate wants to know the same of the organization. Once that is established from both sides it becomes interesting to have a second and if needed third interview where the candidate meets the team to check the fit from 2 sides. This is the verification process where his / her competencies can further be tested and he / she is being stretched beyond his / her comfort zone. This is also the moment for checking references in a useful way and having the candidate take tests. As the team is in the lead for the hiring, it should also be the team that makes the final decision, so the whole team has ownership of the decision. The talent team has again a coaching function for management to facilitate team growth and puts the tooling and processes in place.

## How to improve employee experience and their performance in an Agile organization?

Most of the organizations moving towards responsive enterprises position their customer in the center of their organization realizing the impact of a great customer journey. From HR perspective the employees of the organization might be even more important than the actual customer. So the importance of a great 'employee journey' for the people in the organization is growing and needs continuous attention and improvement. From the moment of hiring to onboarding to continuous growth and until the moment the organization and the employee split their ways. At all times focus must be on creating ambassadors for the organization. Retaining Agile talent during the Employee journey has 8 attention points<sup>6</sup>:



1. Have a good onboarding process
2. Keep employees bound by interest not by force
3. Put people above protocols
4. Evaluate regularly on an individual basis
5. Compare the company values with the individual values (Purpose)
6. Offer challenging projects and learning paths (Mastery)
7. Involve employees in the strategy (what) and give them autonomy on the execution (how)
8. Measure how they feel
9. Do everything to retain them, but do not react badly if they decide to go anyway

The onboarding process in an Agile organization is often more extensive than in a traditional one. Next to the practical things there is a lot of attention to the organizational values and the culture of the organization. It usually is done in the form of a boot camp week or as part of an off-site. The team will need to absorb the new hire and that is likely to have a temporary impact on the team's performance and culture, so that should be calculated with. Also having many new hires in a short time threatens team stability much more than in a traditional team, as factors like trust and respect are very important in a self-managing team and they take time to establish.

The points 2, 3 and 4 are touching the subjects of the traditional compensation and performance. Several studies<sup>7</sup> have shown that traditional performance management is not working very well. A research has shown that 98% of the respondents (all company levels) found annual performance review unnecessary. The same research shows that two-thirds of the performance management systems misidentify high performers. Lastly 45% of the HR leaders

do not think annual performance reviews are an accurate appraisal for employees work. There are a number of flaws in Traditional performance management. Firstly there is no evidence that traditional performance management leads to improved performance. Secondly the reviews have adverse effects: Generally they are one-directional and with an unequal power balance. This limits two-way feedback and an honest dialogue. During the review the negative is often emphasized instead of an focus on strengths. Also there a focus on the individual, even though the organization often has a significant influence on the individual performance. as it is often an one-directional conversation with unequal powers. By trying to standardize the ratings in reviews, one is presuming that the employees are machines and they are not. When standardizing faire judgement on performance cannot be achieved. Standardizing also means comparing people to one another and that erodes a collaborative culture. Thirdly there is usually a financial consequence attached to the review and also there the effect negative. Pay-for-performance has been proven not to lead to improved performance for knowledge workers. Next to that it has shown that review outcome is unreliable for picking out the talent and high performers, so there is a good chance the rewards are going to the wrong persons. There needs to be a number of mind shifts as listed in the table below5:

<b>Traditional</b>	<b>Agile</b>
Need to know	Transparency
Management-driven	Employee-powered
Past performance	Future capability
One size fits all	Customized and nuanced
A chosen few	Diverse input and rich dialog
Control and oversight	Managing by exception
Individual metrics	Shared commitments

Some examples of Agile performance management are:

- Basing performance on getting 360° feedback from the team through an InterVision group
- Having a kudo (thank you) system in place to get an indication of the individual extra contribution to the team (peer-to-peer rewards and recognition)
- Having a Man with a Plan (set of personal work and private goals) that is maintained by the individual and challenged by the team and not the manager or HR
- Creation of an organizations own salary model with the present funds available for the team as a whole
- Having a team bonus and not individual bonusses
- Salary increase based on learned skills or contributions made to the team

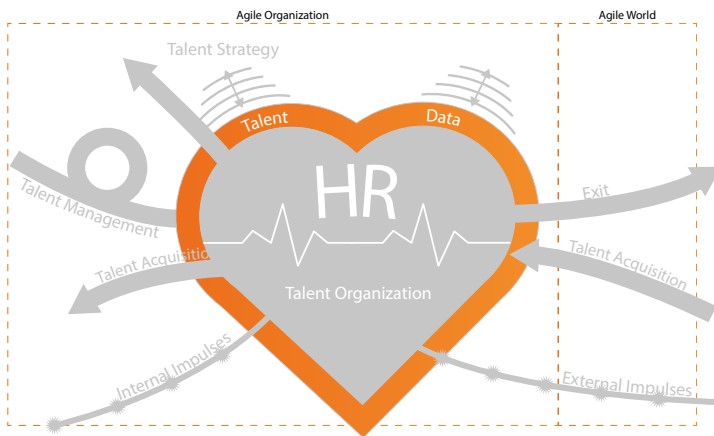




Next to financial rewards, there are other factors that play a very important role in retaining Agile talent: Creating an engaged and performing workforce comes back to the main message of Daniel Pinks' book 'Drive'4. Autonomy (point 7 above), Mastery (point 6 above) and Purpose (point 5 above). Autonomy can be stimulated by creating small self-managing teams that can set their own targets within the boundaries provided by the organization will allow for high levels of autonomy. Their managers are trained to act as coaches and not 'managers', to allow their teams as much freedom they can handle, taking into account their maturity. The managers give direction to the team and involve them in decisions before making them. Managers support and stimulate personal and team growth and give space for professionals to become the best in what they do, whatever it is. They want to stimulate mastery and build a focus on diversity and continuous learning culture at all levels. They can do this by keeping an open mind and stimulating experiments in an environment where making mistakes and learning from them is mandatory. The talent-specialists have the task of coaching the managers, teams and individuals in their talent management roles and supporting them with the tools and processes where needed. The talent-specialists also will need to coach on alignment with the purpose of the organization and guard the culture. This is one of the hardest things to do and it requires commitment from everybody in the organization to keep focus on values an commitment. Making a culture book, having dedicated team time or having company events can help to achieve this.

The only way to keep track of if all the things mentioned above are working, is to measure them frequently and analyze the data for the purpose of improvement. Thereby the HR as specialist is constantly seeking for new ways of improvement by formulating assumptions and validating. It is crucial the HR is the go-to knowledge base for employees and management to be recharged with new ideas and initiatives, acting on request and pro-actively.

## How can talent teams improve the collection and use of data?



With the new state of technology also HR processes have the opportunity to become software centric and data driven. In the HR world there is much discussion on people analytics using descriptive and predictive analysis. People analytics is using descriptive analytics to see behavior. Based on this behavior a change is made and the results are checked for improvement. For instance collecting data on how exits went and how that effects the

employer branding, can help talent-specialists to make improvements. Another example of descriptive analytics is collecting employee happiness data and sick leave data and overlaying them. When there is a relation, some measures to improve happiness are taken and the analysis is run again to check for improvements. Often there is a lot of data available or collectable in the HR department, however it is not collected and analyzed. It can be very beneficial to start collecting and analyzing the data to draw useful conclusions and undertake crucial actions. Descriptive analytics consist of 4 steps:

- Collect data
- Process data (Formatting, Cleaning and Combining)
- Draw conclusions from the results
- Take action

Course followed	Impact 1 + 2	Impact 3	Impact 4 + 5
Took Course A	10%	40%	12%
Took + Passed B	0%	0%	22%
Took + Failed B	0%	10%	6%

Predictive analysis<sup>8</sup> is the act of mining historical data to forecast future events or trends. In HR the capability to predict future events or trends is very powerful, as it will allow to take actions on things before they have

happened. The predictive analysis knows 6 steps:

- Collect data
- Pre-process data (Formatting, Cleaning and Combining)
- Establish the type of analysis (what model to use, for instance a decision tree)
- Train the predictive model (fill the data collected in the model)
- Perform predictions (use the model to predict)
- Act on the insights

To give an example of this. Data has been collected for a consultancy firm on the impact consultants have with the clients (1-5) and also on what trainings they followed with what success. This data has been formatted and cleaned and combined in an excel sheet:

As model we have chosen a decision tree and filled the data. From this sheet we can draw the conclusion that consultants that took course B and passed, are having the largest chance to have an impact of 4-5 with the customer (22%). The course of action to follow would be to send the consultants on course B and train them better to pass the exam. Next thing to find out would be if going to both courses will increase chances for 4-5 impact score even more. Of-course this is a very simple example and adding more variables makes the data often more interesting and give surprising insights. In predictive analysis it is essential to have enough data if a stable prediction is to be made. The larger the data set the more reliable the prediction.

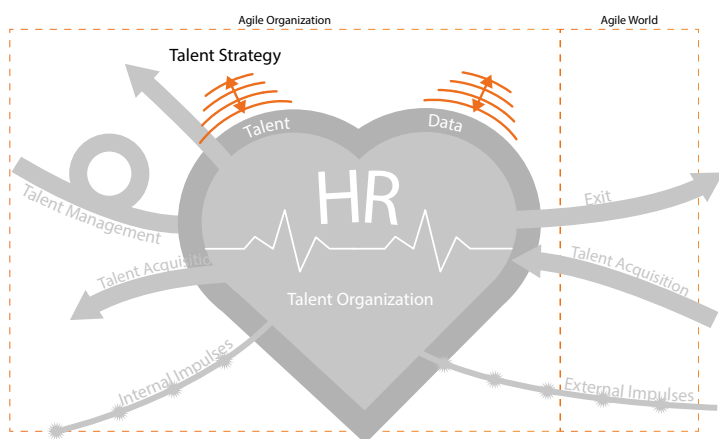
Uses for this in HR are for instance to predict the recruitment funnel by having insights at what stage candidates drop off and what influences the drop-off rate. Another example is turnover prevention. By knowing in advance what factors influence the chance of someone leaving the company and how big that influence is, it is possible to act and start reducing the chances of someone leaving. The last example (but there are many more) is to gain insights on talent management, by knowing in advance what practices and actions have what effect on different types of employees. That makes it possible to select the coaching approach per employee based on the data.

There are endless possibilities for talent-specialists to gather and mine the generated data and doing so is crucial to keep a competitive position in the talent market and retain the employees. Unfortunately only recently this realization has dawned upon the HR world and they are now trying to learn from other sectors like marketing that are much further.

## How to take a proactive strategic, yet innovative and Agile approach to talent?

Next to all the tasks already mentioned, it is crucial for a talent team to look at all the information available and start creating a strategy for the future that is closely aligned with the vision. Like for every company or

division, strategy has two conflicting interests: On the one hand is the need for stability and predictability, on the other hand is the need for disruptive innovation. These two tend to conflict with each other as disruptive innovation is often linked with high risk. To avoid this conflict, risk for the innovation needs to be reduced and that can be done by using the Lean Startup method as described further on.



Using the predictive analysis from the previous section, trends in the market and sounds from within the organization, a strategy can be set out. In the image below there is an overview of the different levels of maturity of HR related to HR strategy in an organization as described by Bersin<sup>1</sup>. The areas to look at are alignment of talent and business strategy, Automation, System integration and transition from execution to coaching. A method that can be used is to write a postcard from the future, where the talent organization x years from now is sketched. This vision and strategy translates into a roadmap and a backlog of changes.

Bersin by Deloitte, Agile HR model 1



New and innovative ideas that fit the vision and strategy should also be added to the roadmap after they have proven to have a high chance of successful implementation. Being the first with new and disruptive ideas helps to stay on the forefront of the market and helps enormously in employer branding. It also prepares the talent organization for the future demand. With more of the execution moving to the rest of the organization, time should be made available structurally to work on innovation. Using the Lean Startup method from

Erik Ries is a way of embedding disruptive innovation in the organization and reducing the risk of failure for the ideas.

The Lean Startup sees everybody as entrepreneur that can have an idea and that person should be able to get a chance to work out the idea. It works with a systematic and scientific approach based on data and fast feedback loops with the customers. The idea is tested with minimal investments and with only the minimum functionality, so if the idea has to be abandoned, there is very little loss. Using the Extended Lean Startup model<sup>2</sup> that explains how to practically implement the Lean Startup in four consecutive stages of validation, decreases the investment risk and increases success rates. With this method the validation starts firstly with validating the problem that the idea is based on actually does exist. If the problem cannot be validated, also not in a modified form, there is no point continuing with the idea. Once the problem has been proven, secondly it is necessary to validate that the solution does resolve the identified problem. Again the idea should be abandoned or modified if needed. Thirdly the solution is tested with a smaller representative target group to validate implementation and modified or abandoned if set results are not achieved. Fourthly test can be scaled up to a larger group in the organization to validate scalability. If that goes well, the idea can be rolled out with reasonable small risk.

Let's take the simple kudo system as an example. Within Prowareness the assumption was that team members want to be able to acknowledge special efforts of team members and that we could solve this by having an electronic system to collect and show them. First the problem was tested and validated, as team members indicated unanimously that they wanted a kudo system. Next the solution was tested by creating a simple xls file where kudos could be given instead of setting up a trial account with bonus.ly. On showing the solution to team members, it was not what they wanted and a change needed to be made. They wanted to have at least a physical handwritten note and it needed to provide some sort of overview that could be hung on the wall. A new solution was proposed in the form of a plan board with T-cards. The idea was tested again on paper and when it was approved a cheap secondhand board was bought. The team started working with the plan board and the pilot was a success to be rolled out as a practice. Through this way of working fast feedback was collected, changes made rapidly and no unnecessary investment in time and materials were done.

Innovation and strategy cost time and that is taken away from operational tasks. Part of the shift to a team of talent-specialists is that time is structurally made for innovation and maintaining a strategy.



## Conclusions

In an Agile organization there would be a team (or multiple teams) of talent-specialists that are working in an Agile way. They support and coach teams and management to increasingly take over more HR responsibilities as they mature. Some common services are centrally supported by the talent team(s) to support the teams. Adopting an Agile way of working themselves will increase effectiveness of the team and speed with which they can adjust to impulses from the market, organization, teams and individuals. By doing, these highly visible teams also showcase the benefits of Agile working to the rest of the organization and become in that sense an ambassador for Agile working, also for non-it teams.

Agile talent teams form the beating heart and of the organization. To visualize this analogy, the HR->T model was developed, consisting of 5 components: a. the talent organization, b. talent acquisition, c. talent management, d. talent data and e. talent strategy. In appendix B some do's and don'ts are listed for all five components.

Would you like to know more about Agile talent management or the HR->T model? At Prowareness we are passionate about Agile and have a number of Agile talent management specialists in our consultants population. We therefore warmly invite you to get in touch. We can exchange thoughts and keep you informed on the practical assessment and HR to talent management transition approach we are developing. Additionally we can explore how your organization can make the shift from HR management to talent coaching. Also we can help you with [trainings](#) and workshop formats that already proved their success, like the Agile [HR Training](#) or more advanced [Agile HR Expert Program](#).

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## About the authors



*Hanneke Gieles*  
Entrepreneur and Agile  
consultant

Hanneke Gieles is an Entrepreneur and Agility consultant at Prowareness. She helps organizations to nurture and grow entrepreneurship and Agility at all levels of the organizations. The last 6 years she has focused mostly on transforming organizations to Agile ways of working in and outside IT settings. Furthermore, she also has experience with doing this in many non-it domains, such as marketing, HR and customer service. In the positions as team lead, development manager and CITO, she had experienced many different aspects of HR in the past, while trying to combine this with the Agile way of working. Being the entrepreneur of the self-managing team Prowareness ZO, gives many possibilities to try out ideas on HR and Agility, before bringing them to customers.

You can reach Hanneke at [info@prowareness.nl](mailto:info@prowareness.nl) or connect to her on twitter (@RunningAgile) or LinkedIn (Hanneke Gieles-Hekman). She would like to hear from you and exchange thoughts. Of course you can always make an appointment for a cup of coffee or to give a lecture, training or workshop.

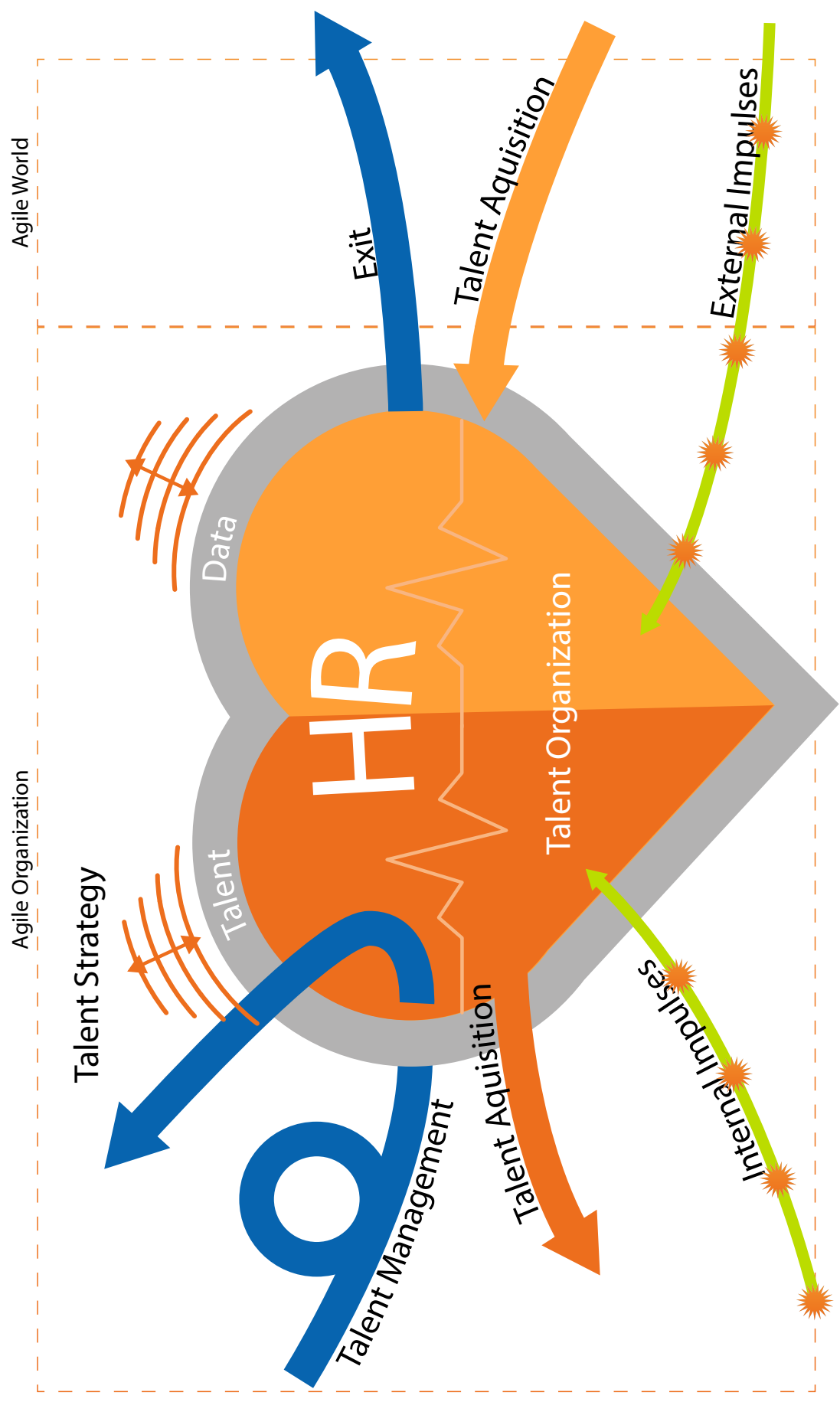


*Wouter van der Meer*  
Agile Talent  
Management  
consultant

Wouter van der Meer is Agile Talent Management consultant with Prowareness. He has a background in HR and Recruitment and for the last few years he guided several organizations in their Agile journeys as Agile coach. Mostly focusing on creating great teams and helping management in their changing role in Agile organizations. Wouter's main motivation is bringing the fun (back) to the workplace. From his point of view the key elements of fun are continuous learning and realizing results with people you feel connected with. Having the capacity to learn is a true gift, which he encourages everyone to use to the fullest extent.

Get in touch with Wouter via LinkedIn: [linkedin.com/in/vandermeerwouter](https://www.linkedin.com/in/vandermeerwouter) or send an e- mail to [info@prowareness.nl](mailto:info@prowareness.nl). Always looking out for a good discussion on how to increase the impact of HR in organizations.

# Appendix 1: The HR -> T model



## Appendix 2: Do's and Don'ts

Do	Don't
<b>Talent Organization</b>	
Start visualizing the workflow	Keep knowledge to yourselves
Start coaching and facilitating others	Stop learning
Automate and simplify procedures	Focus on execution mainly
<b>Talent Acquisition</b>	
Create a recruitment pipeline	Forget the importance of employer branding
Make the team the owner	Create standard competency based job descriptions
Focus on motivation and personal characteristics	Act superior in an interview
<b>Talent Management</b>	
Provide autonomy, mastery and purpose	Fall back on Command & Control
Bind people by interest not by force	Pay for performance
Let people leave as ambassadors, not adversaries	Focus on the negative
<b>Talent Data</b>	
Use predictive analysis	Leave data uncollected
Experiment with analyzing unanalyzed data	Jump to conclusions
Act on insights	Work with too small datasets
<b>Talent Strategy</b>	
Reduce risk for innovation by using Lean Startup	Wait for what tomorrow brings
Allign HR strategy with Business strategy	Work in silos
Do not invest heavily in not tested products	Ignore the importance of new and innovative ideas



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Brassersplein 1  
2612 CT Delft  
The Netherlands

Münsterstraße 304  
40470 Düsseldorf  
Germany

530 Lytton Avenue, 2nd Floor  
Palo Alto, California 94301,  
United States

Lower Ground Floor, Building  
2A-West Tower, Embassy Tech  
Village, Outer Ring Road,  
Deverabeesanahalli Village,  
Varthur Hobli, Bangalore  
560087 Karnataka, India

+31 (0)15 2411 800  
[info@prowareness.nl](mailto:info@prowareness.nl)  
[www.prowareness.nl](http://www.prowareness.nl)