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Talent Management in Education

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Talent management is a critical issue across many industry sectors. As the demand for a skilled workforce continues to sharpen, with the pool of candidates shrinking, talent management will grow out of necessity to maintain competitiveness. The need for talent management is especially sharp in the education where little emphasis has been placed on the issue of recruitment, onboarding, and retention of staff and faculty. This report will review some of the broader issues related to talent management as they relate to the education field.

Frame of Reference

The US Workforce will continue to age out at an alarming pace. Every day for the next 19 years, about 10,000 more will cross that threshold (Cohn & Taylor, 2010). By 2030, when all Baby Boomers will have turned 65, fully 18% of the nation's population will be at least that age. What is equally alarming is the pace at which the "millennials" will be making landfall on the workforce landscape. There are approximately 80 million millennials and 76 million boomers in America (Schawbel, 2012). Approximately 10,000 millennials turn 21 every day in America, and by the year 2025, three out of every four workers globally will be Gen Y (Schawbel, 2012). It will be essential for employers to gain a keen understanding of how these new workers operate in their respective environments if employers expect to be successful as the millennials shape the consumer markets in virtually all areas.

Demand for workers with college educations will outpace supply to the tune of 300,000 per year (Carnevale, Smith, & Strohl, 2010). By 2018, the postsecondary system will have produced 3 million fewer college graduates than demanded by the labor market (Carnevale et al., 2010). At current rates, degrees conferred would have to increase by about 10 percent a year to eliminate the shortfall—or the economy would need to slow its demand for higher education in

its workers (Carnevale et al., 2010). To meet current demand, employers provide a substantial amount of internal training. In fact, colleges and universities represent only 35 percent of the entire postsecondary education and training system. The rest consists of on-the-job training, formal employer-provided education programs, military training, apprenticeships, and a variety of other programs (Carnevale et al., 2010). According to the McKinsey Global Institute (MGI) the world could have 40 million too few college-educated workers and that developing economies may face a shortfall of 45 million workers with secondary-school educations and vocational training by the year 2020 (Dobbs, Lund, & Magavkar, 2012). In advanced economies, up to 95 million workers could lack the skills needed for employment (Dobbs et al., 2012). According to Dobbs et al. (2012) China's aging population, growth in the service sector, and demand for higher skilled workers in manufacturing will present a shortfall in college-educated workers by 16% or more than 20 million workers. India's challenge is in medium skilled workers, those with high school or vocational training where it will see a shortage of nearly 13 million workers by 2020 (Dobbs et al., 2012). India's supply of high-skilled workers, those with a college degree or higher, will outpace demand by more than 6 million (Dobbs et al., 2012). By 2020, in Southern Europe where as many as 50 million workers (16 percent), without postsecondary education, could be unable to find work (Dobbs et al., 2012). Advanced economies, such as Germany, could be facing a shortage of college-educated workers equivalent to 10 to 11 percent of demand, even as Germany enjoys a relatively high college completion rates.

Clearly, indications are that the demand for skilled workers will dramatically outpace supply over the coming decade. Institutions and organizations that are focused on recruiting and retaining high performing individuals will be best positioned to sustain the coming shortage. In

order to address the needs, business leaders will need to be proactive in their efforts to support policy-makers that are focused on improving the output of the education system and help to influence and shape the course content. To address the output of high-skilled workers, it is essential to look at the system that delivers these workers. The education system is at the headwater for the workforce and without attention on the development of the education system and the talent the likelihood of meeting labor market demands is challenging at best.

Talent Management in Education

Among the need global need for high-skilled workers are those workers that serve in the education industry. While many industries face talent management concerns, it could be argued that the private sector has been far more successful in attracting and retaining the best and the brightest as compared to education. This is critically important, as the most influential factor in student achievement, at the school level is educator quality (Leithwood, Louis, Anderson, & Wahlstrom, 2004). Simply, if there is demand for higher quality workers, then the very best talent should be in place to develop those workers. The recruitment, retention, and development of effective educators are perennial policy concerns for states, particularly in hard-to-staff subjects and geographic areas (Imazeki & Goe, 2009). It is helpful to understand that teachers make up 4 percent of the civilian labor force (Behrstock, 2010). The size of the industry, the seasonality of the work makes this industry sector unique and ripe for talent management processes. Education institutions, especially higher education, are often major employers within regions and present significant economic development benefits. Like other industries, higher education is facing higher levels of accountability and productivity, an aging population, demanding competencies and skill sets, and increasing costs for retaining skilled and committed faculty and staff. These factors are meeting at a time of declining supply of skilled workers and

an increasing demand for a more educated workforce. The challenges that institutions face in staffing and retaining talent are especially true in areas where poverty as indicated by the percentage of students on free or reduced lunch (Imazeki & Goe, 2009). Understanding the challenges with recruitment and retention, a study by IBM and the Human Capital Institute found that the education field was least likely to engage in ‘enlightened talent management practices’ falling behind banking, retail, financial markets, health care, telecom, professional services, industrial products, electronics/technology, and consumer products (Behrstock, 2010). It is noteworthy that the education field does invest in understanding talent management activities (Behrstock, 2010). The critical difference is that industries that are seen as ‘knowledge-intensive’ (e.g. professional services or electronics/technology) are actively engaged in talent management activities whereas education, which should be considered knowledge-intensive, is not (Behrstock, 2010). The education field does not own a system for attracting, training, and supporting the best people for the field of education. Smylie and Wenzel (2006), found that schools that implemented talent management practices showed an association between the talent management processes and successful reform efforts and more ambitious instruction.

Key areas that should be consider to address talent management issues in the education area include preparation (including certification and licensure), recruitment and hiring, induction and mentoring, professional development, compensation and other financial incentives, working conditions, and performance management (Bhatt & Behrstock, 2010). These key components follow along a similar path of other industry sectors. Based on a survey of 1000 public and private organizations and 1900 individuals, following, broad areas of talent management were identified: develop strategy, attract and retain, motivate and develop, deploy and manage, connect and enable, transform and sustain (Ringo, Schweyer, DeMarco, Jones, & Lesser, 2008).

As shown in Figure 1 these 6 dimensions pair with the key components found as essential area to be addressed in a talent management process in the education field.

Figure 1. Talent management comparative analysis

Education Sector	Private Sector
Preparation	Develop strategy
Recruitment and hiring	Attract and retain
Induction and mentoring	Deploy and manage
Professional development	Motivate and develop
Working conditions	Transform and sustain
Compensation/other financial incentives	Motivate and develop
Performance management	Connect and enable
Behrstock, E. (2010)	Ringo, T., et al., (2008)

Current Practices

In September of 2012, a survey of 850 human resource professionals in the higher education arena were surveyed to gain insight as to their thoughts on a wide range of talent and HR related issues (Madonia, 2012). Higher education is under tremendous pressure to gain efficiencies and lower costs. Among the HR professionals surveyed, technology will be one of the areas where these efficiencies can be gained (Madonia, 2012).

There are a number of examples from higher education whereby human resource professionals have engaged in an organized and thoughtful process of talent management. While these practices vary across institutions, the message is clear that some institutions are more mindful of their human resources and understand the need to address and maintain these resources. The models outlined contemplate competencies required for success/promotion,

training to support these competencies, and feedback based on skills rather than duties.

Ultimately, higher education institutions will face greater competition for talent. Retention of existing talent and knowledge transfer due (succession planning) can be addressed by a talent management strategy constructed to meet institutional needs and culture.

The following is from Talent Management: Emphasis on Action. CUPA-HR Journal, 59(1), 34–38 (Butterfield, 2008).

Carol Carrier (University of Minnesota) In order to meet an ever more challenging future, the University of Minnesota realized that investment in leadership competency modeling, performance feedback (internally developed 360-degree review), development and succession support would be critical to ensuring success. Carrier, in collaboration with university executives, decided to start with competency architecture for top leadership beginning with deans and vice presidents. The logic was “it is critical to get it right with this audience before expanding the initiative.” The project began with interviews of 24 deans and is focused on identifying UM-specific leadership and role-based competencies that contribute to organizational success. This talent management initiative will define competency models in UM campus-appropriate language and build these competency expectations into selection and evaluation processes. Carrier points out that UM’s strategy will begin with development investments based on the competency models because of the positive focus and mutual benefit. Following these investments UM will emphasize readiness of internal candidates for promotion. Carrier is predicting and will measure resulting retention and internal advancement rates. By summer 2008, the competency models for deans and vice presidents will be complete and incorporating input. A formalized HR talent management team and advisory group of five deans oversee the project.

Laurita Thomas (University of Michigan) At the University of Michigan, a peak in staff turnover for new employees that used to occur between five and seven years is now being observed at three to five years. These talent losses, according to Thomas, can in part be attributed to lack of opportunity for meaningful contribution and professional growth. The University of Michigan’s planned response and HR initiatives are: (1) to define how knowledge transfer can be more effectively supported and (2) how investment in a portfolio management project to describe effective characteristics and competencies can contribute to success in the academy. Included in the portfolio project is a collection of related success stories telling of different routes to achievement. Project outcomes will focus on success-based competencies rather than job-related tasks.

Jack Heuer (University of Pennsylvania) The University of Pennsylvania faces two convergent talent management forces: (1) the potential loss of retirement- eligible staff and resulting bench

strength impact for selected core performance areas and (2) employee perceptions about lack of feedback on performance and a sense that Penn is unaware of or failing to address development and succession to initiate talent management initiatives.

At Penn, talent management for staff is the responsibility of HR and is housed in the Center for Learning and Education, which includes a career center and a cohort of mentors. One of the TM strategies began with a cohort-based program for 25 current or aspiring leaders, many from the student services area. Backers for the program include the provost, president, a board member, an executive vice president and teaching faculty. The program includes three themes: (1) identifying and building on higher education leadership characteristics, including 360-degree evaluation for each participant, (2) the study and presentation of issue-based projects (e.g. onboarding), and (3) providing performance enhancing feedback. Outcomes will focus on employee contribution and engagement (Penn is currently experiencing 99 percent return on evaluations), reduced turnover and increased internal promotion. Note: Massachusetts Institute of Technology originally designed, piloted, implemented and successfully continues the program as described in this design.

Clint Davidson (Duke University) Clint Davidson, chief human resource officer at Duke University, says: “Talent management challenges in higher education are formidable. As major employers, higher education is facing an aging population, increased demand for high productivity, demanding skill sets, gaps in the talent portfolio, and increasing costs for retaining skilled and committed faculty and staff — and all at a time of a declining supply. The good news is that within higher education communities, the work culture can be substantially leveraged to attract, develop and retain needed faculty and staff for years to come. Talent management is going to require our investment and relentless action.”

Summary

There is clear evidence that the global workforce is aging and those coming into the workforce will require a higher level of skills to meet the demands of positions in the future. The shortage of skilled workers is not unique to one industry but may be more intense in some areas. Education is not immune to these global trends. An aging workforce, higher demand for accountability, while the demand for educated students is ever growing.

There are examples of enlightened leadership that are driving talent management into the academy and taking approaches that will enable the education sector compete and retain the best

and the brightest. These initiatives are neither widespread nor part of the landscape of education generally. Standards for professional development do not address the overarching issues related to talent management across these institutions and are not part of the culture. While these may be institutions for learning that are not 'learning' institutions as outlined by Tagg (Tagg, 2003).

When learning becomes the focus on these institutions and includes the management of learning as it relates to the faculty and staff, only then will there be progress in education. Only then will these institutions be in a position to begin to provide the job-ready workforce that is in such short supply.

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