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## *Is your business a talent magnet?*

### IN THE GLOBAL HUNT FOR TALENT, SOME STARS SHINE BRIGHTER

**W**HEN AUTHOR AND COLUMNIST Thomas L. Friedman in 2005 declared the world to be flat, he meant that revolutionary changes in technology, communication and information-sharing had leveled the global playing field – permitting almost anyone to do almost anything almost anywhere.

In the calm epicenter of the tumultuous Middle East, the Arab Emirate of Dubai is creating a super-city of luxury hotels, office buildings, homes and entertainment complexes that stands as one of the most eye-popping wonders of the modern world. Imported labor from India and the Philippines helps build the new city 24/7.

In the ancient Chinese port of Macao, near Hong Kong, American-owned companies such as Wynn Resorts and MGM-Mirage are constructing gambling resorts that make their Las Vegas properties look tiny. The reason? If 100 million tourists can reach Las Vegas in five hours or less, over four billion live within the same distance from Macao.

In Bangalore, India firms with names like Office Tiger provide an ever-increasing array of information technology, accounting, payroll, call center and other back-office services to clients in America, Western Europe and elsewhere. In other offices, Indian-born but U.S.-trained accountants process tax returns for American accounting firms – overnight and at a fraction of the cost. And while Western doctors sleep, Indian radiologists interpret medical images sent to them online. But perhaps most important, some 100 IT companies from around the world have built R&D centers in a suburb called Electronics City – home to a stunning 140,000 software engineers.

Meanwhile, in the North Central United States, manufacturers who used to move jobs to non-union southern states now are sending them directly to China, where new plants are starting production every day of the year.

All that – and more – has created a worldwide market for talent. While Asian construction workers may be the most visible labor pool in Dubai, hotels and regional corporate headquarters are recruiting highly skilled managers on a global basis – and paying them premiums to work there. Ditto the dazzling gambling resorts in Macao. Even India, with its seemingly endless supply of talent, is beginning to face a talent shortage. Though it and China, for example, now graduate more engineers than the United States, not all come from prestigious universities, understand Western business culture or live close to major population centers.

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### **The Best and Brightest Have Many Job Choices**

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**T**HE NEW, WORLDWIDE COMPETITION for talent is happening at an inauspicious time for the typical, often struggling employer.

For one thing, the population is aging not just in the U.S., but in Europe and Japan as well, which means shortages ahead in the managerial ranks. For another, demographics are shifting, with the best and brightest workers preferring to work in population centers full of people just like them, which means that jobs may not be where people want to work. Moreover, today's younger workers increasingly place personal fulfillment ahead of job security, which means they increasingly will

direct their own careers and move from employer to employer. If the right job is not available in Austin, or some other currently desirable place to live, the geographically adventurous may well sign up for a tour of duty in Dubai or Macao.

Thanks to the Internet, a virtually unlimited amount of information is available to help guide everyone's career choices. Do you want to know what your job – or anyone else's job – is worth on the open market? Visit salary.com. Do you want to know what employees think of your company (or any other)? Google will help you find the appropriate website, message board or blog. As just one example, career information site vault.com contains the following employee comment about one well-known consumer products company: "It is hard for minorities to strive and grow at [name deleted] due to the lack of any support." While a minority job-seeker might regard that as an isolated complaint, what if the message string showed 20 similar comments?

Last, it is difficult to hoard talent – keeping it safely stowed away for future use (when the market turns, or a new product reaches commercialization). That old maxim "use it or lose it" certainly applies to talent management. It is truly amazing how often employers are surprised when a top performer leaves for greener pastures: "I never realized that Leslie was unhappy." Forget that she carried more than her fair share of the weight, yet received only cost-of-living raises and had not been promoted in over three years.

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## How to Make Your Business A Talent Magnet

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**Y**OUR ORGANIZATION may be spending hundreds of thousands, if not millions, of dollars on marketing its products or services – while ignoring the need to market itself to both prospective and current employees.

More often than not, marketing creates demand by expressing or dramatizing a unique value proposition – *i.e.*, the benefit that a consumer will receive by trying and using the product or service at hand. That benefit or value may be cleaner laundry, enhanced financial security, a more pleasing appearance, greater safety and performance on the road, reduced chance of a dreaded disease, etc. The question that too many employers ignore is what

unique value does their organization bring to its employees, without whom the wheels of progress would grind to a halt.

In olden days, companies could offer jobs for life and merit increases in the low double-digits for all. Those days have long passed, so there had better be other benefits that your place of employment offers. In other words, what makes your organization a magnet for top talent?

Here it may prove instructive to look at *Fortune's* annual "100 Best Employers to Work For." Virtually all have one or more distinctive benefits they provide employees. For example, first-place employer Google Inc. offers free gourmet food in 11 employee cafeterias scattered through its Mountain View, CA, headquarters. If the food is not enough, employees also can do their laundry, drop off dry cleaning, get a haircut, have their car washed and lubed, work out in the company gym or have the concierge make a dinner reservation. A marketer might say that Google has taken the bother out of working. Intangible benefits of whatever dimension and cost can help bond existing employees to any organization, while attracting prospective employees to apply.

Of course, it's not all about intangibles. In a survey last year of 1,100 employees, HR consulting firm Watson Wyatt Worldwide found that compensation remains the number-one reason why workers change jobs. (In the words of *The Wall Street Journal*, "Opportunity Knocks, and It Pays a Lot Better.") Companies today that are strapped for cash often make the mistake of lumping all compensation dollars into a single pot and doling out the same minuscule raises to top and poor performers alike. As in the sports and entertainment industries, more ordinary businesses need to cultivate and coddle superstars, offering them the kind of compensation packages they can't refuse.

Hiring people costs a lot of money, so it makes little sense to have your organization become a happy hunting ground for recruiters around the globe. One alternative is to hire mediocre people. The other is to become a talent magnet.

— George Snider

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