

# Alexander Ross & Co.

## INSIGHTS



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### A Talent for Growth

High-Growth Organizations  
Require High-Performance  
Strategic Talent Management

#### Introduction

Since Steven Hankin of McKinsey & Company first coined the term “the war for talent” in 1997, the world’s businesses have battled to recruit and retain premier talent. Most companies now believe that talent acquisition and retention are fundamental to enabling growth.

For companies in a growth state, however, does a focus on finding and keeping talent suffice and yield results? While acquisition and retention are ever important, our experience indicates that high-growth and high-change companies face unique strategic talent management challenges.

In order to thrive and maintain growth, they must look beyond these elements of talent management and address the complexities that growth brings. We have identified three particular challenges which we’ve noticed high performing high-growth companies successfully master.

## The High Growth Context

Growth produces situations and requirements which traditional or general talent management may not anticipate or effectively address. For example, a company may be generating growth from rapid international expansion or from operations in emerging markets. In addition to finding skilled people, this type of growth requires an understanding of and prominence in less familiar and highly regional marketplaces. As another example, companies growing via acquisition face the stresses of integrating and right-sizing disparate and distinct workforces while filling in hiring gaps.

Regardless of its source, growth creates faster paced and more intense change for organizations. The risk and volatility of economies and markets is often also greater for these companies.

The upshot is that high-growth organizations must embrace and manage substantially higher levels of change within much narrower margins of error than companies that are slower growing, more established or more entrenched. Continued growth requires that everything from hiring and assimilation to training, learning and knowledge sharing happen quickly and synergistically.

In our work as strategic talent advisors to global organizations, we've seen that the high-growth companies that outperform their competitors are able to recognize and surmount three key strategic talent management challenges: aligning talent and business strategies, maintaining and leveraging a strong and vibrant culture, and engaging high-caliber human capital leadership.



## Challenge 1 | Aligning Business and Talent Strategies

A predicament common to many companies is that the talent and business strategies are developed by separate teams which often also operate at different levels. When the linkages between the teams are weak, human capital management can become out of step and misaligned with the development of the business strategy.

In high-growth environments, this challenge is magnified. Staying in sync can feel to HR leadership like trying to change a tire while driving on the autobahn. Nonetheless contributing to, understanding and executing on the business strategy is fundamental to strategic talent management.

It is critically important for there to be real-time, relevant check-ins with the architects of business strategy during the process of strategic talent planning. Ensuring strong communications prevents missteps and allows for faster course corrections when needed. It is also essential to plan for the inevitable communication breakdowns by identifying in advance potential risk areas as well as a process, and point persons, on whom senior HR leadership will rely to clarify and resolve confusion or disagreements.

Moreover, communication is ideally two-way – never one-way coming only from corporate strategy leaders to Human Resources. HR has a wealth of information about the talent market, labor and legal requirements, and areas of strength and weakness in the workforce. HR can also identify potential issues that might arise from geographic, product or leadership changes. All of these are critical inputs to strategy development, not simply features and factors in strategy execution. To be successful in high growth environments, corporate strategy must rely on strategic talent insights that are timely, accurate and on-point.

## Challenge 2 | Focus on Culture



One of the principal risks of high-growth, high-change environments is that what begins as a homogenous organization can quickly morph into a hydra of organizational cliques, each with its own management style, performance metrics, and culture. To prevent this, high-performing high-growth companies place intense emphasis on their culture. For example, they invest significant effort in creating and communicating the stories that define, nurture, instill, and defend it.

Slower growth companies have the relative luxury of time and stability to build and shape a culture. But, like fast-growth companies, they tend to underperform if they dismiss culture as a soft requirement with low impact potential.

In fast-paced companies, culture has to be communicated during recruiting and internalized rapidly - before incoming talent moves on to managing others and new roles, often in six months or less. These companies require an elastic culture which will stretch to include a diversity of new people, languages, business practices, customers, facilities, and more.

However, that elasticity must be anchored in clear, agreed upon and non-negotiable values at the center of the organization. These values must be modeled from the top down at the same time as the expression of the culture is evolving from the bottom of the organization up.

Shared values are the fastest way to create cohesion amongst diverse and dynamic workforces. Values also help create stability when almost every other aspect of work life is changing. Without strong values, and a strong supporting culture, it is very difficult for a company to execute on their strategies to succeed in new markets.

### Challenge 3 | Employ High-Caliber Organizational Leaders

Successful high-growth and high-change companies recognize that their talent management needs are distinctive, requiring them to engage a different kind of HR and talent leadership. They hire what we call “transformative talent” - organizational architects and leaders who thrive on the unique challenges posed by growth and change.

These leaders are capable of adapting to the complexities of architecting, transforming and continually developing resilient global organizations. They think cross-culturally, are emotionally intelligent and, above all, are change-agile. They bring not only expertise and experience, but an evident sense of momentum, determination, and even inspiration.

Without high caliber human capital leadership, high-growth high-change companies are at a competitive disadvantage. Their ability to create and execute an effective strategic talent management strategy which will leverage their current growth and seize future growth opportunities, is severely handicapped.

“Transformative talent” in human capital leadership roles is, therefore, a platform requirement for success in global markets that change at click-speed.





## Conclusion

The battle for talent will persist as long as markets continue to evolve and grow. But the war is about more than talent acquisition and retention for high-growth organizations. Companies undergoing significant growth and change from merger and acquisition activity, globalization, or expansion, require specialized capabilities to architect and manage their workforces.

The human capital leaders who understand how to execute business strategy in these growth environments can be their organization's greatest source of competitive advantage because their capabilities are exceptional and among the most difficult to replicate.

Aligning talent and corporate strategy and grounding a culture in flexible but firm values are critical to success. However, the greatest opportunity for high-growth companies may be in engaging the "transformative talent" that can embrace and master the full portfolio of their unique strategic talent management challenges.

Alexander Ross & Co. has been the talent adviser of choice for organizations pursuing strategic change for nearly 35 years. We are a specialist executive search firm that identifies and attracts transformative human capital leaders exclusively in the linked professional disciplines of:

- Organizational Design, Development and Effectiveness
- Change Management
- Strategic Talent Management
- Leadership Learning and Development

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