

PwC Talent Management

Lessons we are learning

May 2010

Contents

PricewaterhouseCoopers – basic facts

Business case for Talent Management in Russia & Global

Background - 2 years of journey

TM process as it is

Key learning:

(1) overcoming reservations

(2) developing key stakeholders - sponsoring partners

(3) creating effective 70:20:10 development solutions

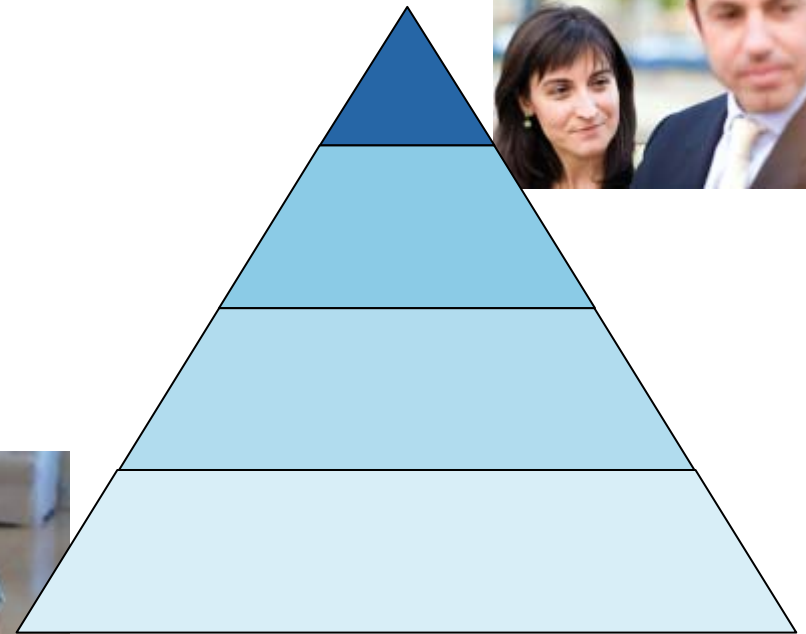
Topics for discussion

PricewaterhouseCoopers

Basic facts

PricewaterhouseCoopers Russia provides industry-focused assurance, tax and advisory services. The Firm has had a continual presence in Russia since 1989.

- Approximately 2,000 professionals work in Moscow, St Petersburg, Yuzhno-Sakhalinsk, Kazan, Yekaterinburg, and Vladikavkaz
- **88 partners** in Moscow: 37 foreign and 51 Russian
- 513 new joiners in 2009



The business case for Talent Management (I)

Performance ratings don't determine who has greatest Potential

In developed countries 50% of senior management is expected to retire in the next 5 – 10 years

Quality & relationship are key to business growth. The 2006 survey placed PwC in the bottom quartile on relationships

Generation Gap – different expectations of careers

Globally 30% say we're doing a good job retaining our best people; 34% say our compensation plans reward outstanding performance.

The business case for Talent Management (II)

Feedback from people in PwC

You don't differentiate enough between the best performers and the adequates

Promotions don't always go to the best person – often to the person whose 'turn' it is

You tolerate poor performers

Feedback from clients

You're great when you're great – but your delivery isn't consistent – especially across borders. Internationally you're not joined up

You're great analysers and auditors but what we want is help not just facts

Your best people are fantastic – can we have more of them?

Talent Management – 2 years of journey

Launch in Russia and Central & Eastern Europe

2007 – Assurance (pilot); 2008 – other lines of services

Definition

Talent management means identifying and managing different talent pools and creating different, targeted development initiatives for each talent pool.

Key elements



The business benefits

- Accelerated development of all
- Strengthening of the succession pipeline
- Improved retention of talent and eliminated external talent acquisition
- Involvement of talented people in key areas of the business
- Enhancing capabilities necessary to develop our strategy

TM process as it is

		Key Talent	



Big 5
Plus:
• Broadening
• Bite sized



Talent identification
Evaluation of performance and potential

Sponsoring partner conversations

Development options

Talent review groups



HC Support

Local and regional HC support and facilitate the process throughout working closely with sponsoring partners

Overcoming reservations (I)

Question: What's so different about development of Key Talents?

Answer: not much



Similarities:

1. Good practice is same for everyone – i.e. development discussions, development planning, training curriculum, etc.

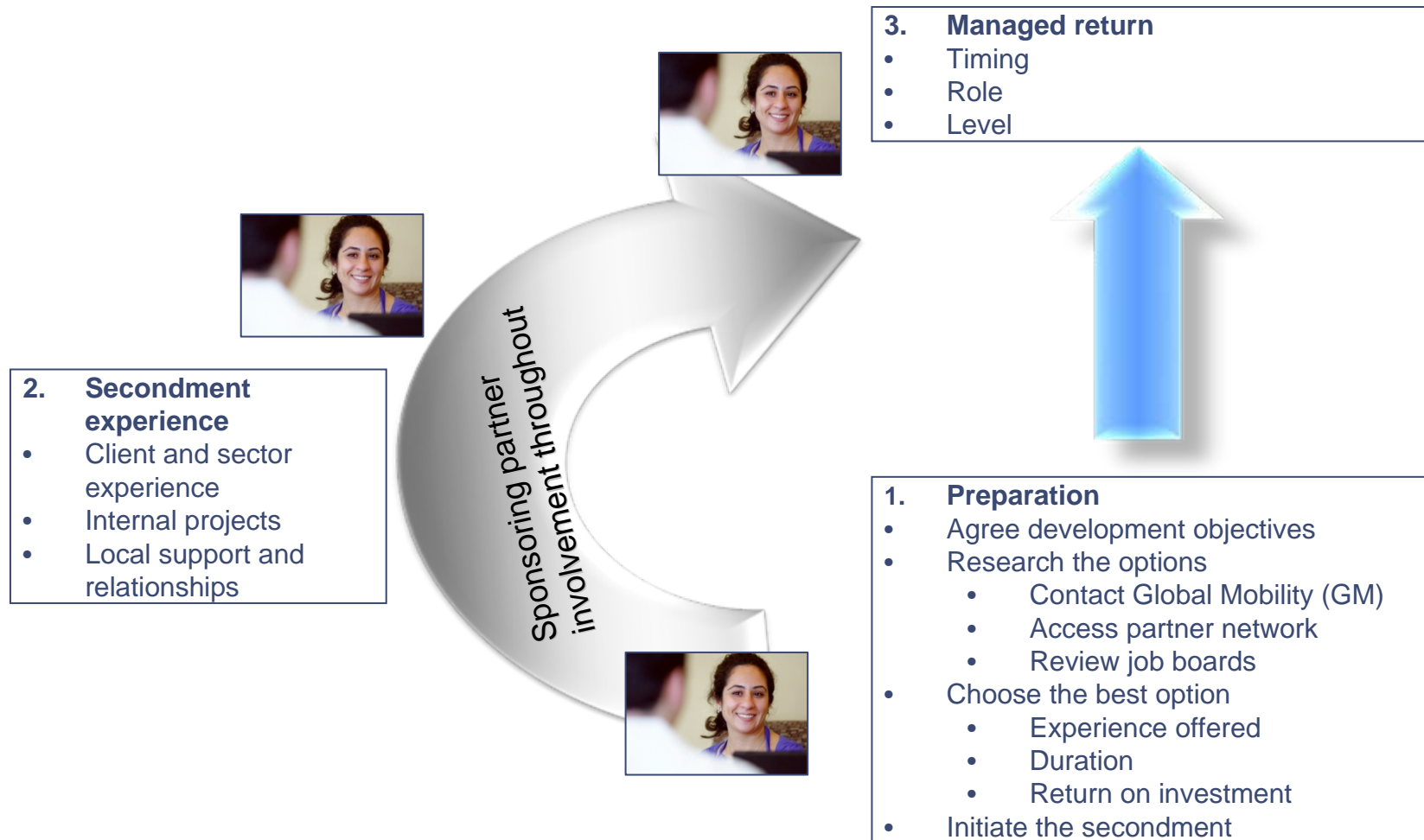
Differences:

1. Some development actions prioritised/ aimed at KT
2. Higher risk of attrition

There is a natural fear that creating talent pools will cause demotivation for those who are not in the key talent pool. Research shows the opposite - the attrition rate does not go up and in many cases the possibility of getting into the key talent pool acts as a motivator. This experience was recently confirmed in PwC UK when they went to full transparency.

Overcoming reservations (II)

xTerritory, xDivision secondments (long-term and short-term assignments); assignments to key accounts; shadowing



Developing key stakeholders – sponsoring partners (SP)



Sponsoring partner

Skills:
Completion of
Coaching masterclass within the
last 18 months

Knowledge:
Completion of
Online modules



Knowledge:
Attendance at
briefing meetings

Skills:
Facilitation of
Coaching masterclass or attendance
at IFS facilitation skills training (TBA)



HC/ L&D

Creating effective development solutions

Category of development	Development option	Key Talent	On track/ potentials	Developing
Experience (70%)	Regional or local strategic project*	Must	On request	On request
	Key account or priority client*	Must	On request	On request
	Secondment*	Must	On request	On request
	Range of client assignments	Must	Must	Must
Exposure & exchange (20%)	Active development support from selected partner	Must	On request	On request
	Regular development discussions with PC&D coach	Must	Must	Must
	360° feedback or other competency assessment	On request	On request	On request
	Senior partner shadowing*	On request	On request	On request
Education (10%)	Key Talent programmes*	On request	On request	On request
	Technical and business skills curriculum (including e-learning)	Must	Must	Must

Key:

Must	Strongly Recommended	Recommended	On request
------	----------------------	-------------	------------

* Big 5 development options

February 2010

Initial results

Increased partners' awareness of succession pool

Increased xDivision cooperation and sharing knowledge

Introduced KPIs

Increased partners' involvement in developmental activities



Topics for discussion

- Best practices in TM you would like to share
- Recommendations you have in relation to PwC experience
- Challenges you have met during TM launch

Appendix

Questions to help assess potential

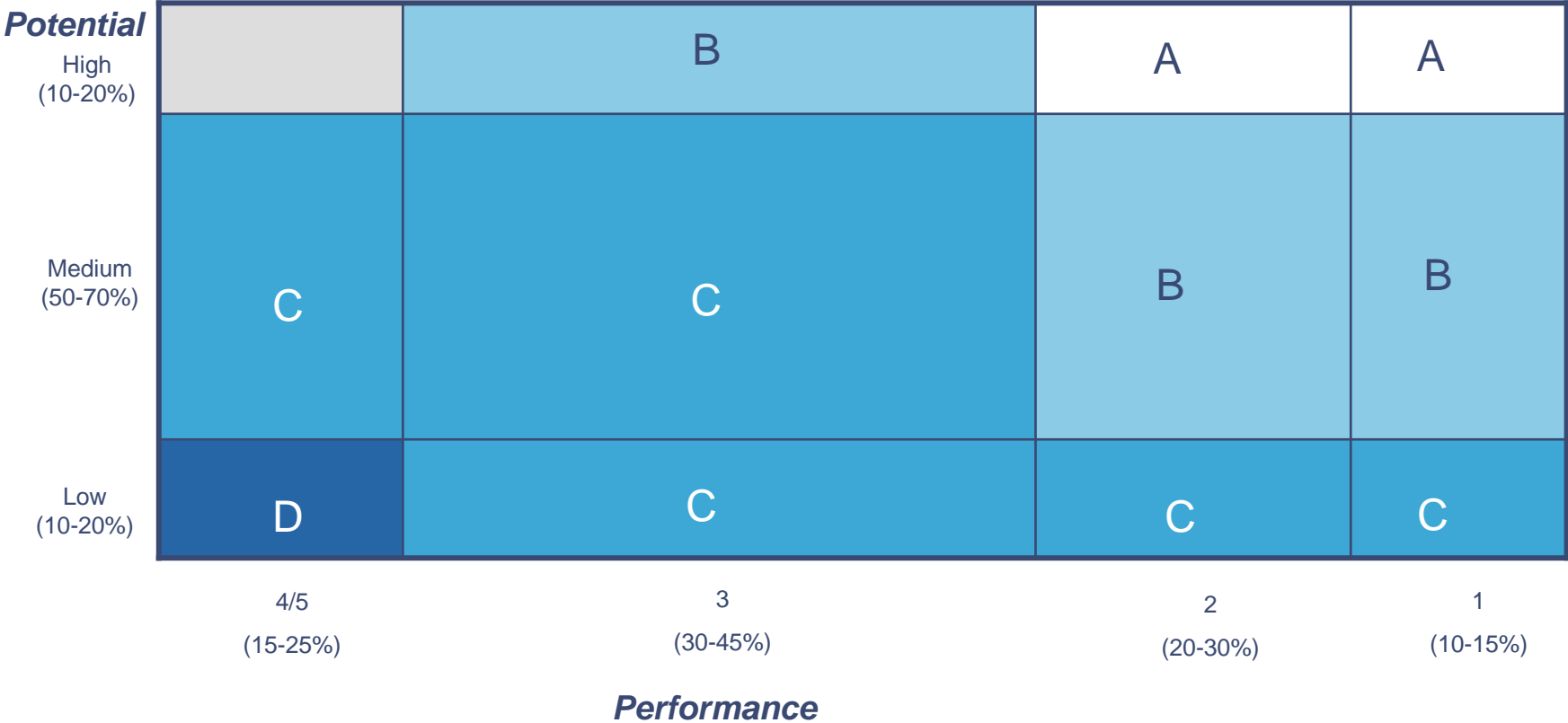
Business Impact: results and quality focus, drive, energy, commitment, aspiration and capacity to make a difference and shape the business	
Optimistic and resilient in the face of setback	<p>Do they see opportunity and not impediment in all situations?</p> <p>Are they resilient and philosophical about accepting what happens to people who champion and push for change?</p> <p>Have they overcome adversity and learned from it?</p>
Have passion, personal desire and drive to achieve all they can for the firm	<p>Do they constantly challenge PwC to improve, generating great results and quality even under difficult conditions?</p> <p>Do they know where to focus attention?</p> <p>Are they open to ideas but uncompromising in pushing forward?</p>
Role model the firm's values	<p>Are they dedicated to the firm's values and have the will to do the best for the client and the firm?</p> <p>Do they have vision – look two to five years ahead – and can push PwC to aspire?</p> <p>Are they willing to take opportunities that others might not for the overall good of the firm?</p>
Personal Agility: personal insight, orientation towards learning and intellectual agility	
Know themselves well – reducing their blind spots and have insight into others	<p>Do they recognise and manage their own emotions and their impact?</p> <p>Do they sense others' feelings and perspectives and take an active interest in others' opinions?</p>
Have integrity and courage to lead others through difficult circumstances	<p>Do they gain active support and help from others without having to ask?</p> <p>Do they take a stand – even at personal risk – for what they believe in?</p> <p>Do they create 'discomfort' through challenging assumptions and demanding improvement?</p>
Motivated to stretch themselves and learn from other people and experience	<p>Are they driven to seek out experiences that may challenge or change their perspective?</p> <p>Do they have the courage to make themselves feel vulnerable and uncomfortable?</p> <p>Do they actively seek and act on feedback from all sources?</p> <p>Do they take time to reflect upon their learning from experiences?</p>
Able to deal with and lead others through contradictions and dilemmas and make interconnections that others often miss	<p>Do they think creatively and laterally to help clients solve complex problems?</p> <p>Do they ask insightful and catalytic questions?</p> <p>Are they confident to express a point of view on business issues outside their specialism?</p>

A	10 - 15%
B	c. 25 -35%
C	c. 40 -60%
D	<10%

The Talent Matrix

We define 4 broad talent pools:

A—Key Talent; **B**—On-track/Potential; **C**—Developing talent; **D**—Underperformers



Note: This needs to be consistently executed across the Region