

## Developing a Finance Talent Strategy: Two Case Studies

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Finding and keeping the required talent at all levels of a finance organization is a big job that requires the regular attention of a dedicated team, including input from the CFO and Human Resources (HR). An effective finance talent strategy should be designed to keep top employees engaged as they progress in their careers and to create a draw for talented outsiders looking for new opportunities. "Talent management is a strategic issue facing finance organizations, and at many companies it is a very real contributor to shareholder value," says Rich Rorem, a principal with Deloitte Consulting LLP and U.S. Finance Transformation leader, during a Deloitte Dbriefs webcast, *Finance Talent: Attracting and Retaining the Skills You Need Now*.

The webcast focused on ways companies can build and improve talent strategies specific to finance organizations. To illustrate the process in action, two company case studies were presented by Ken Kunkleman, a director in Deloitte Consulting LLP's Human Capital Organization and Talent practice, and Nathan Sloan, a senior manager in the Human Capital practice at Deloitte Consulting LLP.

### Case Study One: Expanding for a Larger Global Presence

The first case study involved a *Fortune* 100 telecom company that was transforming into a global technology company as a result of significant international expansion. Meanwhile the industry was consolidating, customer expectations were changing and cost pressures were increasing. "For the CFO, the challenge was figuring out how to create a pipeline of finance talent that could support the transformation and growth the company was experiencing," says Mr. Sloan. The finance staff numbered around 6,000, but the workforce was aging and the company needed to build staff at the lower levels to support the business strategy.

To support the company's growth objectives, the CFO, working with HR, developed a talent strategy focused on recruiting top new talent, identifying high-potential talent among current employees, leadership development, talent deployment and succession planning:

- Talent acquisition focused on recruiting through campus internships to start filling the pipeline for the future. A formal recruitment program was established, looking at candidates from 20 universities, along with making sure a challenging and rewarding experience was being offered.
- The career and leadership development area addressed not only developing new finance hires but also looking at the existing talent in the organization. It was important to step up the development programs that the company already had in place to a level where everyone felt they were growing and playing an active role in building the bench strength. "The key was defining the career development steps in the internship program, rotations for the interns, existing talent and leadership development for current leaders in the function," says Mr. Sloan.
- The final element, succession planning, was critical in developing new and existing talent that would require the leadership team to identify the next generation of finance leaders and plan the succession for key roles in the function.

The company's finance leadership development program had four main components. Participants in the internship program first had to work on real business problems and rotate within and sometimes outside the finance function. The goal was to make the experience as professional as possible and as real as possible for participants. The internships were paid, and participants worked together to solve actual business issues, providing them a sense of accomplishment and on-the-job training that is important. The company benefitted as well.

The program's second component involved immersing participants in the culture of the organization, to reinforce the company's values. "By organizing activities and orientation in groups, employees really began to build a sense of community and strengthened their business networks," adds Mr. Sloan.

Next, it was important to focus on building technical and management skills, so formal programs were established. The mix of the delivery methods, including in-person and online, permitted the participants to spend more time on special projects. Last, participants were expected to take ownership of their careers, making them responsible for understanding their career expectations. They also were assigned mentors, who could share their experiences and provide support.

"In order to grow new leaders in the business, it was important to follow a pathway that focused first on building those technical and business skills, then management skills and then finally leadership skills," says Mr. Sloan. "Because the company was looking to build its talent pipeline five to seven years out, those first years in the program were considered critical for participants to learn all they could for their future achievement. At the same time, the company had to identify who the top talent would be moving forward, and it developed a rotation component to provide participants a breadth of experience."

One year into the program, the results appear to be on track. From a pool of 1,100 internship program applicants, an inaugural 2011 class of 41 participants represents a diverse group. The teams have been productive, solving business problems and working with 25 finance leaders as mentors. The company plans to have a 2012 summer internship class of 80 and to grow the class by 50% each year. "In essence, one of the main reasons for the program's results to date is that it is centered around providing high-quality experiences for a small number of talented individuals," says Mr. Kunkleman.

### Case Study Two: Finance Talent Transformation

The next case study involves a *Fortune* 200 company that was undergoing a large-scale finance transformation. The company's finance function was looking to become a full partner with the business to add strategic value across the board. Technology, systems and processes were transforming, and the plan was to change the finance function's staffing profile. "We created a finance talent strategy that linked to the organization's existing talent management programs and other HR programs, making them specific to finance," says Mr. Kunkleman. "Finance acted as the catalyst in driving innovative new HR programs, some of which the organization ultimately carried forward and applied to other functions, leveraging what HR had brought to the table, as well as identifying future critical jobs."

The overhaul of the company's approach to finance talent management was part of a larger transformation of its finance function, moving from a tactical numbers shop to a high-performing, strategic business partner to the other business units. One goal was to make finance a net exporter of talent to the broader organization.

Finance followed a multi-step approach to meet these goals:

- Creating a finance talent strategy, facilitated by talent management programs, including talent acquisition, learning and development, leadership development, succession planning, total rewards and talent assessments.
- Identifying future-state critical jobs and assessing talent risk.
- Designing and developing a finance-specific competency model.
- Deploying associates into appropriate roles and developing them into strategic business partners.
- Developing a finance learning curriculum.
- Identifying and developing high-performing candidates to build internal leadership potential.

After assessing the organization's risk of losing critical talent, a finance-specific competency model was built to define what talent was needed. Associates were deployed or redeployed into roles that were more appropriate for their competencies, as well as their career aspirations. In addition, a learning curriculum was developed for the various levels of the organization—a broader curriculum

for junior levels and a more tailored curriculum for more experienced professionals as well as for top talent. Finally, an effort was made to identify high-performing individuals and create internal development programs.

The talent assessment subsequently led the company to acquire the talent needed to fill gaps that could not be addressed by existing talent and undertake succession planning. The competency model and assessment of employees against that model formed the building blocks for the overarching talent strategy. A formal teaching and development program was created for current staff, as well as talent acquisition and retention strategies aimed at adding the talent that finance was lacking internally. "The two-pronged approach of acquiring new talent and developing existing talent provides more benefits than simply taking one course of action," says Mr. Kunkleman.

### **Related Resources**

- Deloitte Dbriefs webcast, [Finance Talent: Attracting and Retaining the Skills You Need Now](#)
- [What's Keeping CFOs Awake and What They're Doing About It](#)
- [Survey Finds Businesses Reshaping Talent Strategies to Build Leadership, Global Growth](#)

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