

# The Talent Landscape as told by RRA



These insights are based on an in-depth investigation into the talent landscape in collaboration with our clients, with a focus on global companies with revenues of \$10B+. An amalgamation of primary and secondary research techniques was used to develop Russell Reynolds Associates' point of view on the talent space. This encompassed desktop research, an analysis of 120 talent leader profiles to understand their backgrounds and experiences, interviews with 20 talent leaders, a survey answered by 30 talent leaders and discussion groups among subject matter experts.

## 1 Talent is higher on the agenda for investors, boards and CEOs

### Investor level:

3/8 requirements that institutional investors are prioritizing are related to talent (compensation scrutiny, human capital oversight and board quality and compensation)<sup>1</sup>



### Board level:

4/10 of the most commonly discussed topics at the board level relate to talent<sup>2</sup>



### CEO level:

Biggest internal concern for CEOs is attracting and retaining talent<sup>3</sup>



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RRA level:

In 2013, just 8% of the work the Human Resources Practice did was related to the talent function. Five years later, in 2018, the proportion had doubled (16%)<sup>4</sup>



Most board directors have limited experience in HR—CHROs and chief talent officers (CTOs) are increasingly expected to fill in the gaps and prepare boards for investor conversations on talent topics<sup>5</sup>

## 2 Talent experts are therefore required at the board level

### Board talent concerns span from top of house down to broader organization

(e.g., succession management plans are discussed by 88% of boards, while employee engagement is discussed by 82% of boards)<sup>6</sup>



## 3 Movement toward a unified CTO who interacts with the board

37%

37% of talent functions have an all-encompassing CTO, with this proportion increasing when talent leaders appointed before/after 2017 are considered (from 24% prior to 46% since)<sup>7</sup>



These individuals are most likely to have the weight to support the CHRO at the board level given their expansive remit and broad expertise (otherwise, the CHRO is likely to handle talent topics alone)<sup>8</sup>



We expect the proportion of unified CTOs to rise given the benefits associated with bringing everything together under one lead. The entire talent strategy can then be more interwoven and connected as a result<sup>9</sup>