



## MARCH 2008

## TalentQuest News

**February 1, 2008:** [U.S. GSA PBS Southeast Sunbelt Region Selected TalentQuest to Develop Leaders](#)

**February 20, 2008:** TalentQuest consultant Adrienne McVeigh named as a guest speaker at the [17th Annual Trends Conference](#) to be held May 4-6, 2008 in Atlanta, Ga. Attendees will gain improved insight into retail banking, the latest market research and actionable advice they can translate into successful strategy for their organizations. To register for the conference, visit <http://www.ibtconferences.com>.

## Calendar of Events

**March 5, 2008:** [Washington Bankers' Association Human Resources Conference](#) in Seattle, Wash.

**March 11, 2008:** The Leadership Forum at Georgia Tech welcomes Dan Ariely, the Alfred P. Sloan Professor of behavioral Economics at MIT Sloan School of Management and one of the nation's leading behavioral economists.



Dan will present a new understanding of the irrational aspects of human behavior and ways to overcome the limitations they can have on your life at work and at home.

For information, please call (404) 894.8700 or visit [www.execinfo.com](http://www.execinfo.com).

**March 20, 2008:** Rick Brandt, President of TalentQuest's Consulting Services, will be hosting a webcast. "Competencies that Matter—Building a Foundation for Talent Management" will begin at 1:00 p.m. EST / 10:00 a.m. PST. [Click to register.](#)

How would you rate your organization's competency model? Does it resonate with your employees? Do they understand what competencies are and how they are relevant to their role within your organization and to their growth and development? Are your managers assessing and measuring your employees with the 'right' competencies? Learn answers to these critical questions and create lasting competency deployment across your organization.

**March 19 - 21, 2008:** [Georgia Bankers Association's Human Resources Professionals Institute](#) in Savannah, Ga.

## Insight from The 2008 Leadership Forum at Georgia Tech

As sponsor of [The 2008 Leadership Forum at Georgia Tech](#), TalentQuest recently hosted Thomas Stewart, editor of The Harvard Business Review and an influential author in the fields of intellectual capital and knowledge management. With a great deal of humor and energy, Tom discussed with more than 100 business leaders in attendance, five challenges that will become at the forefront of every executive team over the next five years and offered strategic counsel and practical courses of action for managing the challenges. Below is a summary of Tom's presentation, which holds invaluable tips for all of us.

### Five Challenges for the Next Five Years

**1) SPEED.** Nearly everything about business is moving at a faster pace than ever before (e.g., product development, the flow of capital, speed to scale). Consider how dramatically companies like Google, Amazon.com and Apple have changed the world in a relatively short period of time. Because the pace of the new economy is so fast, decision-making authority must be spread throughout an organization. Customers will no longer accept 'let me check with our corporate office in Hong Kong tomorrow.' They want answers and solutions NOW. Thus, it is critical to set a clear strategic direction for your organization and to ensure that all employees - irrespective of role or level – understand and are onboard with the strategy. Second thoughts are too late!

***"Speed isn't a competitive advantage anymore; it's a basic requirement."***

*- Thomas Stewart, Harvard Business Review*

**2) FUZZY BOUNDARIES.** Over the last decade, the boundary between buyers and sellers - the inside and outside of a company - has become less distinct. Although vertical integration was effective for some companies (e.g., publishing companies owning forests) many years ago, it proved to be costly. As such, many companies have moved toward more loosely coupled models and even models where all but their most core processes are outsourced. Companies like Wal-Mart, Microsoft, and Cisco now operate as part of an ecosystem, working with a wide-variety of other companies to produce value for customers. These unprecedented models can sometimes leave a business leader asking, 'if everything we do is outsourced, what do I actually control?'

**3) KING CUSTOMER.** Historically, many business models were based on making money off of someone else's ignorance. Today's consumers have access to more information and therefore have more power than ever before. If you consider our ever-shrinking world and recent changes like the advent of the Euro, which virtually eliminated currency conversion confusion, the ability to control pricing no longer exists. Not long ago, owning a car dealership was considered to be a relatively easy path to amassing wealth. However, the Internet, and even the interstate system, which provides easy access to dealerships in adjacent towns, shifted the power to consumers. For 30 years, Wal-Mart produced enormous wealth for its shareholders. However, over the last eight years its performance has been modest, at best. While a variety of factors affect the price of a share of stock, the increasing power and influence of Wal-Mart customers has likely had a significant impact on this trend.

***"One way to address the challenge of 'King Customer' is to create Intellectual Capital (i.e., intangible assets relevant to the caliber of a company's employees, the value of its processes, and the knowledge it has of its customers)."***

*- Thomas Stewart, Harvard Business Review*

**4) EXTREME COMPETITION.** Although software is often the first example people list as an industry of extreme competition, industries such as air travel and telecommunications have

also witnessed extreme competition. Many of the established players in these industries (e.g., Delta Air Lines, AT&T) have bloated cost structures (e.g., unions, pension liabilities, legacy infrastructure) that are vestiges of an era that has long since passed. New players (e.g., JetBlue, Skype) have much lower cost structures and leverage the internet to bring disruptive innovation. Consider the impact of a company like Craig's List. A group of 18 people took more than \$250 million from the classified advertising business virtually overnight. In an age of such extreme competition that can sprout from virtually anywhere in the world, focusing on a target market and a specific offering – not trying to be all-things-to-everyone – might be the best approach.

**5) UNCERTAINTY.** For nearly a century, the science of management has strived to manage risk and create predictability. Numerous models have been created to forecast and respond to future trends. The focus now needs to turn to managing uncertainty, recognizing that people simply are not rational decision-makers and that consumers have significantly more power. Currently, there are few or no management tools geared toward dealing with uncertainty.