

Conjoint Analysis and the Talent Pool

Reviewing the employment proposition

A 'major multi-national group'* wanted to measure how well their employment proposition matched the needs and aspirations of their global talent pool.

Apter International's choice of research methods met the brief, but also revealed some disturbing information about the talent pool itself.

Detailed research can pay dividends...

In the war to attract and retain talent, it is vital that the employment proposition matches the needs and aspirations of the talent. Only in this way can businesses hope to keep these individuals engaged, motivated and productive.

Apter International was asked to determine the relative value of each aspect of the organisation's proposition. They also had to discover the differences in expectations of talent pool members, in relation to different business units and geographies.

In retrospect, the organisation wished it had done the analysis much sooner.

Responding to the Brief

The traditional response would have been to use standard quantitative survey techniques. But with that method, all elements can be rated as high on importance, thus blunting the ability to discriminate between them.

Instead, Apter International proposed a conjoint or 'trade-off' analysis, an approach which 'forces' the choices. This helps to identify the crunch points around which decisions can be made.

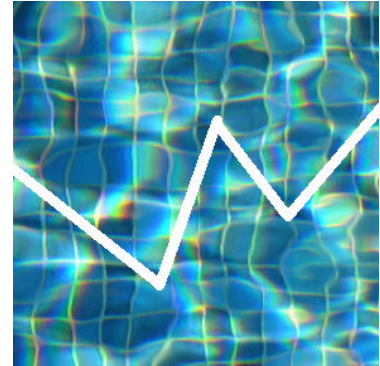
The total employment proposition was divided into four parts - compensation, opportunities for development, work climate and work-life balance. These in turn were broken down into 16 individual attributes, such as:

- Career paths
- Roles and responsibilities
- Progression upward within the organisation
- Compensation package
- Special projects and assignments

The set of attributes covered all aspects of the role, including the cultural, developmental and motivational aspects, as well as compensation. A series of levels were then defined, within each attribute.

Collecting the Data

Using an online survey, respondents were asked to choose between 'packages of options' representing the employment offer. The software automatically adjusted the choices it presented to respondents, based on the previous answers they



Time to test the water?

'In retrospect, the organisation wished it had done the analysis much sooner...'

"Conjoint Analysis"

A research method used to investigate people's preferences for a range of options on offer.

It not only gets respondents to evaluate various options, it also forces them to choose between competing options.

The process can apply equally to employee propositions, and to other aspects of cultural or working environments.

** We are grateful for the permission to share this story, on condition of anonymity.*

gave. Each participant responded to a smaller number of options – including those most appealing and relevant to them. Details were recorded of the importance of every attribute, for each individual. The employer could then target, very precisely, the ideal employment package for a particular individual.

Revealing Insights

An analysis of the responses from all participants provided an overall picture of the relative importances for the whole group.

It revealed, for example, that the attribute of professional development ranked higher than the total compensation package. This demonstrated that salary is not the prime motivator for most senior managers.

Analysing the levels within the attributes for the whole group, revealed that the ‘most sought after’ career move was a vertical move within their own customer group. The analysis also identified those portions of the current employment offer in which investment had been made but which were little valued by employees.

This type of information enables an organisation to make substantial savings on offers that have relatively little benefit. So the payback from the research can therefore be substantial in terms of direct costs and investments saved.

Discovering Patterns

Apter International then used the data to segment the group.

This meant they could identify sub-groups who shared interests and choices in common (see panel), which helps to counter the one-size-fits-all approach to traditional analysis.

Identifying distinct groups of people who value similar combinations of attributes means that, from the corporate point of view, it is possible to check the ‘fit’ of these segments with the business and strategic requirements.

As the HR Director commented about the ‘Pathfinder’ segment:

‘This was vital information. Managers in this segment embraced ambiguity and welcomed entrepreneurial challenges. They were also less interested in the usual correlates of success such as larger or more senior teams. Instead their responses revealed an interest in the less predictable parts of the business.’

However, since the business strategy requires a high level of interest in entrepreneurial, creative or strategic future, the results on the whole were disappointing.

This is because only the ‘Pathfinder’ segment profile was fully matched to that kind of challenge. Only this sub-group (about one third of the total) were fully in alignment with the strategic requirements of the business.

And this was in the talent pool!

‘Hi climbers’ had many of the desirable characteristics that related to the broader strategy, but valued seniority over risky

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HR Director

Identifying Sub-Groups

Analysing the data revealed four distinct sub-groups with shared characteristics:

- **High Def** (26% of the population) – with strong interest in clarity of role and responsibility and least interest in creativity and strategic roles
- **High Climber** (15%) – with most interest in career moves, P&L responsibility and least interest in start-ups and lateral moves
- **Home Territory** (23%) – with highest interest in lateral moves within function, and least interest in new business growth and turnarounds
- **Pathfinder** (36%) – high interest in creativity, new business growth and turnarounds, and least in seniority and lateral moves within function.

assignments – they preferred roles in already successful businesses.

Furthermore, the survey identified that a large proportion of the talent pool preferred relatively conservative job options:

- They would prefer not to work in a business turnaround
- They didn't want to work in a business start-up
- They didn't want a role which requires creativity
- They would like to stay in their own geography
- They would like to stay in their own customer group
- They preferred working in a developed economy

As the HR Director acknowledged:

'The lack of diversity (in the group) may make it difficult to deliver on more entrepreneurial business opportunities.'

This was bad news. Although to some degree it had confirmed suspicions already held, nonetheless, it was a cause for concern.

What happened next?

Part of the response was to commission a quantitative follow up survey of the whole talent pool - to check out who, and how many, fell into each of the segments.

As a result of this analysis the organisation responded in a number of ways:

- Supporting and developing the 'Hi climbers' to help them to adopt more favourable approaches.
- Changing the definition of Talent, to align it more closely with strategic requirements and priorities.
- Adjusting and widening the Talent pool balance - to reflect the need for more entrepreneurial, strategic and less risk-averse preferences.
- Reviewing the Reward Package - investment was reduced in attributes that were not valued and therefore not necessary.

In the event, the exercise focussed discussion for individuals in the pool, over the next 2 years of their career management.

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Apter International provides cutting edge consulting and development in the fields of: strategic capability and leadership performance and employee, customer and market research. Apter International also offers a range of profiling and survey tools.

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