

Talent management in the middle market: A challenge and an opportunity

In October of 2017, CFO Research, in collaboration with U.S. Bank and Visa, surveyed 73 U.S.-based senior finance executives about issues related to talent management in middle-market firms (i.e., firms with revenues between \$20 million and \$500 million).

Talent-management self-evaluation

While four in ten senior finance executives (41%) are confident their organizations are expert at identifying their current talent needs, respondent companies' mastery of most other critical talent-management tasks is lacking. In fact, nearly 20% say they aren't doing a great job with any talent-management task. The percentage of survey respondents who say their organization is doing a "truly outstanding job" in various talent-management tasks is shown below.

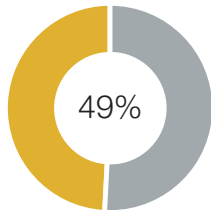


The symptoms of talent troubles

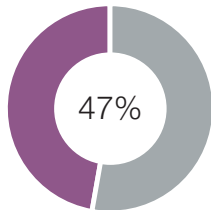
A majority of finance executives agree that attracting talent is a particular challenge in the middle market, and that compensation levels in the middle market can represent an obstacle to attracting and retaining the best talent.



A majority of survey respondents say their firms don't have the capabilities they need to compete for talent, and a majority of respondents don't act expeditiously to resolve issues related to job and career satisfaction.

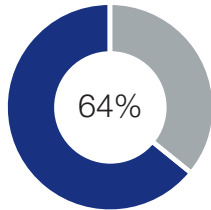


Less than half of respondents (49%) say that their organization's HR/talent department **has the strategic and operational capabilities** (personnel and resources) needed to effectively recruit and develop the talent they need.



Less than half of respondents (47%) say that their organization **measures employee job and career satisfaction** and works quickly to resolve any issues that are identified.

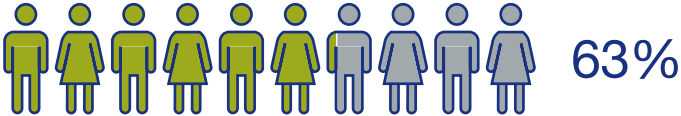
The connection between talent-management success and bottom-line success is clear in most middle-market firms.



64% of respondents say that a **lack of qualified talent** is preventing their organization from fully executing its growth strategy.

The way forward

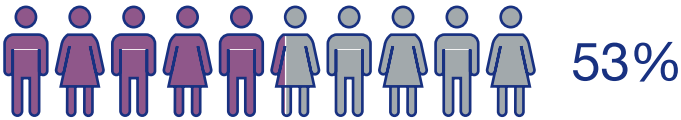
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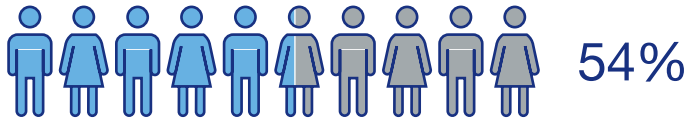
63% of respondents say that middle-market firms offer **many more opportunities** for their people to develop and advance rapidly (relative to larger firms).



62% of respondents say that their organization is always looking for the best talent to **support their growth strategy** (rather than only conducting outreach when there is a specific job opening).



In the ongoing quest to find the best talent, 53% of respondents say that using a **trusted third party** to help identify and recruit that talent is an essential component of their organization's talent strategy.



54% of respondents say that their organization takes full advantage of all **workforce development resources** (higher education, trade associations, and government organizations) that are available as part of their search for the best talent.