Talent Supply Chain Management (TSCM) Overview

Authors: Bill Guest and John Cleveland

This research brief introduces the framework for using Talent Supply Chain Management systems to transform regional labor markets. Talent Supply Chain Management (TSCM) is a holistic set of solutions that enables employers and regions to build reliable pipelines of high-quality talent to meet their needs. The mission of Metrics Reporting, Inc. (MRI) is to design and implement the best TSCM systems in the world. MRI designs and implements demand-driven, evidence-based career pathways that meet the needs of regional employers and provide a clear path for individuals to prepare for and secure good jobs. Our aim is to produce a fully aligned demand-driven talent system that increases economic opportunity for individuals and supports employer talent objectives. Based on our prior experience, the TSCM approach results in fewer vacancies, lower turnover rates (a proxy for higher employee quality), and higher diversity for employers.

> **The mission of Metrics Reporting, Inc. (MRI) is to design and implement the best TSCM systems in the world.**

This research brief is one in a series to support regional implementations of **Talent Supply Chain Management (TSCM)** published by Metrics Reporting, Inc. (MRI). The first page of each brief includes a summary of the topic along with publication date, title, authors, and suggested citation. The last page of each brief is an appendix that provides a one-page overview of the essential elements of TSCM. Pages two through eleven are the body of the brief. Each brief provides a pragmatic summary of one important element of TSCM. In addition to the research briefs we also publish three guidebooks that are available at Amazon.com.

METRICS REPORTING
Talent SCM Systems

Talent Supply Chain Management (TSCM) Overview

To achieve the maximum benefit, TSCM practices must be fully implemented at the scale of the regional labor market.

Our Theory of Change

Over the last few decades major emphasis has been placed on increasing postsecondary enrollment and completions. Unfortunately, there is evidence that this strategy is not enough to achieve successful employment outcomes. Part of the problem is that most people look for a job only after they have completed their educational experience and earned credentials. That sequence severely limits their job search options. Labor markets operate inefficiently because career navigation supports for people to make fully informed career decisions with a structured process and reliable data are frequently lacking. To solve this problem, more attention needs to be focused on the core problem of "getting people in the right seats."

An efficient talent system would ensure that individuals have access to high quality career coaching before making educational decisions and before initiating a job search. This will require two basic changes in our regional labor markets:

• Individuals will need to be provided with early and repeated evidence-based career coaching to help them become informed buyers of education and training offerings and help match their job search objectives to their interests and skills.

• Employers in turn need to re-engineer their talent systems to clearly define foundational and occupational competencies required for workplace success (using standardized job analysis processes and longitudinal validation studies) and use valid assessments to develop and screen candidates based on those competencies.

Achieving these changes at the scale of a regional labor market requires structured collaboration across multiple industry sectors and employers, secondary and post-secondary education, and public workforce agencies.

Core Elements of Talent Supply Chain Management

There are three essential components of TSCM:

1. Evidence-Based Selection Process (EBSP) is an employer decision-making model that elevates reliable evidence of applicant characteristics that are measurably related to job performance and reduces the use of elements that are not valid predictors of performance.

- Cognitive measures that indicate critical thinking and problem-solving skills
- Personality measures that indicate workplace behavioral skills
- Measures of previous workplace behaviors via structured interviews and references
- Continuous improvement based on talent analytics

2. Evidence-Based Career Pathways (EBCP) meet the talent needs of employers and provide clear pathways for individuals to develop the skills to get and keep good jobs.

- Seven-step career pathway model to support career navigation
- Four-step evidence-based career coaching to define and document career plans
- Use career profiles including evidence of skills aligned with employer requirements indicating that an individual is a highly qualified applicant

3. Support Activities: Sectors, Jobs, Job Families, Job Analysis, and Validation Studies Employers need to be organized into sector-based career councils, and job information needs to be gathered, analyzed, and published.

- Regional careers councils are organized for each industry sector to prioritize needs
- Regional competency models create a common language around skills
- Careers councils organize and confirm supply-demand data
- Jobs are aligned with SOC codes and O*NET codes to leverage occupational information
- Jobs are grouped into job families with common competency requirements
- Consortia-style job analysis engages subject matter experts (SMEs) from employers
- Job information is published with foundational competencies, occupational competencies, tools and technologies lists, and credentials requirements
- Validation studies confirm that hiring requirements are related to job performance

Research briefs that provide detailed descriptions of each core element and case studies that document regional implementations are available on the Publications page at: www.metricsreporting.com.

What Success Looks Like

When implemented at the scale of a regional labor market, TSCM can produce the following results:

- **Seamless career pathways** are defined from K-12 through retirement with common processes, tools, and metrics; and a common skills language so employers and educators can work together on career pathways.

- **Employers identify** and publish the competencies that are measurably related to job performance via region-wide consortia-style job analysis.

- **Employers align** their internal talent systems to source and develop talent based on these competencies, using evidence-based practices.

- **Employers communicate** their competency requirements to talent suppliers, employees, parents and students.

- **Educational institutions and workforce agencies align** their curriculum, training and credentialing to deliver the validated foundational and occupational competencies that are required by employers.

- **Students and job seekers have the skills and resources** needed to make smart decisions about career choices and effectively represent their skills to targeted employers.

- **Policy and funding** are aligned to support the above.

Metrics Reporting, Inc. (MRI) offers three guidebooks that are available at Amazon.com

- The *Stakeholder Guidebook* provides step-by-step guidance for creating local and regional initiatives around demand-driven, evidence-based career pathways.

- The *Career Navigation System Guidebook* provides step-by-step guidance for practitioners that defines and specifies components of demand-driven, evidence-based career pathways including the 7-step career pathway model, coaching, and profiles.

- The *Talent Excellence System Guidebook* provides an introduction to Talxcellenz® processes and tools for job analysis and validation studies to support robust demand-driven, evidence-based career pathways.

Bill Guest
President and Chief Solutions Architect
616.430.0828
bill.guest@metricsreporting.com