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10 Reasons the Human Capital Zeitgeist is emerging

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The race for skilled talent is picking up speed and could have long-term implications in the job market. A Human Capital Zeitgeist, is emerging as companies big and small are getting smacked with the realization that talent management is SO critical to competing in a volatile marketplace, they might actually have to throw a bit more respect at the “human” in the human capital equation.



Image by AFP/Getty Images via @daylife

This socio-cultural shift must address the work-life merge and worker satisfaction, like never before. Imagine a new workforce era ruled by a culture where human capital is cherished, instead of demoralized and asked to do

more –for less of a paycheck.

Recent studies speak volumes. Despite what Federal Reserve Chairman [Ben Bernanke](#) described as “an uneven and modest recovery.” Fully engaged skilled employees are fast becoming a desperately needed commodity, even in a climate of high unemployment as I wrote in my recent Forbes post last month [C-Suite Beware: This Could be the Year of the Employee Backlash](#).

10 Reasons for this new Zeitgeist:

1. Attracting skilled employees for the right job. A study by global professional services firm, Towers Watson, [Leading through Uncertain Times](#), found almost 60% of North American companies are having trouble attracting critical-skill employees.

2. Talent shortages might indirectly quash innovation and profits. In [PricewaterhouseCoopers 15th Annual Global CEO Survey 2012](#), CEO's cited talent shortages and mismatches as impacting the bottom line. “One in four CEOs said they were unable to pursue a market opportunity or have had to cancel or delay a strategic initiative because of talent challenges.” One in three said skills shortages will impact innovation.

3. Discontented employees are starting to look elsewhere. In a survey by global business consulting firm, [Right Management](#), 84% percent of the employees polled said they plan to look for a new position in 2012. An American Psychological Association survey found that half of all employees who do not feel “valued” at work, intend to bolt.

4. Employee engagement can boost loyalty. A study by the [Corporate Executive Board](#) found engaged employees committed to their companies gave 57% more effort, and were 87% less likely to resign, than workers who said they were disengaged. Workers who feel valued, according to the [Psychologically Healthy Workplace Program](#), “are more likely to report better physical and mental health, as well as higher levels of engagement, satisfaction and motivation, compared to those who do not feel valued by their employers.”

5. Workers are stressed out. A survey by [ComPsych](#) which provides employee assistance programs globally, found two-thirds of workers report

high stress levels which effect their ability to be productive. On that note, the findings of the [Total Rewards and Employee Well-Being Survey](#), conducted by WorldatWork shows that stress related employee assistance programs are among the most prevalent being offered within company wellness programs.

6. *Employees want a more meaningful inner work-life.* In her co-authored book, [The Progress Principle: Using Small Wins to Ignite Joy, Engagement and Creativity at Work](#), Harvard business professor Teresa Amabile cites her study which found, “A large percentage of employees at all levels feel dissatisfied with their organizations, apathetic about their work, and/or unhappily stressed.” Amabile adds, “the most critical rule for keeping people satisfyingly engaged is to support consistent progress on meaningful work.”

7. *Well-being initiatives in the workplace are gaining traction.* A study done by the [World Economic Forum](#), in conjunction with [Right Management](#), contends when health and well-being are promoted at work, employees are eight times more likely to be engaged and organizations are three times more likely to be productive. Change management and well being expert Fran Melmed of [Context Communication Consulting](#) says, “There is renewed reason to pay attention to employee engagement and well-being. The focus on talent management has in the past been more on healthcare expenses – productivity and innovation had often been under looked.”

8. *Work-life resilience must be boosted to stay competitive.* Fostering a resilient workplace and workers is a necessary component of doing business in an uncertain marketplace. “A person who is resilient has the ability to absorb a great deal of complexity and stress, and still function with grace,” says Jennifer Sertl of management strategy company [Agility3R](#). Bouncing back from failure is crucial for productivity, she explains, adding that resilience allows workers to take in a great deal of information and expand their creativity.

9. *Changes in talent management strategies.* A new report, [The Business Impact of Talent Intelligence](#), penned by the [Human Capital Institute](#) with talent management company [Taleo](#), examines the connections between financial performance and what it called, the use of “talent

intelligence,” which drives innovation and performance. It cites four critical talent issues: managing a global workforce, competing for leaders with the right skills, an aging workforce and identifying, developing and retaining future leaders.

10. The disposition and skill-set of laid off employees, returning to work. Returning workers might have some challenges that could interfere with the job search, interview process or on-boarding to a new job. Clinical health psychologist [Melanie Greenberg PhD](#) says, “People have a hard time letting go of the past. The fact that they might have been fired, anger or low self esteem.” She says they need to process that, and it might be a concern to companies as new workers might need some extra attention.

The above is an argument for big business to woo employees by appealing to their human side and work-life merge concerns. So expect to see a rise in the relevance of more progressive programs concerning workplace wellness, work-life balance, re-skilling, mentoring, employee satisfaction, flexibility, telecommuting and other initiatives, as the Human Capital Zeitgeist takes hold.

Please connect with me on Twitter: [@JudyMartin8](#) for more on this topic. You can catch me on my personal blog at [WorkLifeNation.com](#).

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