

Unlocking the DNA of the Adaptable Workforce

The Global Human Capital Study 2008

Metals and Mining Edition

Today, the metals and mining industries are rapidly changing. As business becomes more global and competitive, companies are being challenged to reassess where and how products are made and marketed. A less understood challenge, however, is how to make the best use of the enterprise's most important asset: the workforce.

As part of the IBM Global Human Capital Study 2008, which included more than 400 senior HR executives from 40 countries, we examined 51 metals, mining and industrial products manufacturers worldwide to understand how those companies are improving workforce performance.

Developing an adaptable workforce: a critical capability

Today, most metals and mining companies must constantly change in the face of market dynamics, rising costs, the introduction of new technologies and an evolving workforce. But we found that only 16 percent of respondents believe their workforces today are very capable of adapting to change, despite the rapid shifts in these industries.

Our findings suggest that metals and mining companies are lagging in three capabilities that influence the workforce's ability to adapt to change:

- Collaborate across organizations: Only 7 percent of the industry respondents say they are very effective at connecting individuals and groups that are

separated by organizational and physical boundaries. Some companies are using technology to enable collaboration and knowledge sharing. However, our evidence indicates that the real hurdles to collaboration are not technology, but company culture.

- Effectively identify and locate experts: Only a small number of industry respondents (14 percent) believe their companies are very capable of identifying individuals with specific expertise.
- Predicting future skill requirements: Only 13 percent say they have a very clear understanding of the key workforce skills required in the next three to five years.

Revealing the leadership gap – Future growth at risk

In our study, metals and mining companies expressed a deep concern over both current and projected shortages of leadership candidates, with more than 84 percent citing their top concern as the ability to develop future leaders. This concern is much stronger in metals and mining than in other industries (see Figure).

Cracking the code for talent

Metals and mining companies face an uphill battle in attracting talent. Their industries suffer from negative images; their workforces are aging and turning over too quickly; and not enough skilled professionals are being trained as replacements. Even so, almost 60 percent of metals and mining companies in our study believe they do a better job of attracting and retaining talent than their competitors. We believe, however, that companies will have to become more innovative in the ways they attract, motivate and develop employees.

Driving growth through workforce analytics

After years of effort, HR sees itself slowly moving beyond its traditional transactional role and migrating toward a more strategic relationship with the business. Yet only 46 percent of metals and mining companies in our study are actually conducting these strategic two-way discussions on a regular basis.

Many companies are unable to analyze their workforces due to a lack of systems integration, an inability to extract data and a dearth of clearly defined metrics. Overall, only 4 percent of the metals and mining respondents say they are very effective at using human capital data to make decisions about the workforce.



What do you see as the primary capability challenges facing your organization?

(Percent)



Source: IBM Global Human Capital Study 2008.

Conclusion

In today's rapidly changing metals and mining industries, an adaptable workforce is a critical enabler of business success. To achieve such a workforce, metals and mining companies need a global model for leadership development and a talent model that can help them recruit,

develop and retain valued segments of the employee population. They also need an infrastructure that supplies data and information about the current and projected state of the workforce, and the ability to apply that information to develop strategic insights and business recommendations.

© Copyright IBM Corporation 2009

IBM Global Services
Route 100
Somers, NY 10589
U.S.A.

Produced in the United States of America
April 2009
All Rights Reserved

IBM, the IBM logo and ibm.com are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (® or ™), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at "Copyright and trademark information" at ibm.com/legal/copytrade.shtml

Other company, product and service names may be trademarks or service marks of others.

References in this publication to IBM products and services do not imply that IBM intends to make them available in all countries in which IBM operates.

To request a full version of this paper,
e-mail us at iibv@us.ibm.com

How can IBM help?

- **Strategy and Change:** Help to address changing business models and Human Capital Management (HCM) partnering
- **Selected HCM Solutions:** Solutions that apply leading HCM technologies, including enterprise systems, workforce analytics and dashboards, social networking, knowledge management and more
- **IBM products:** Innovative products to support metals, mining and industrial products companies

Key contacts:

IBM Institute for Business Value: Allan Henderson, hender@us.ibm.com

Industrial Products:

Global/Southwest Europe Dirk Claessens, dirk.a.claessens@be.ibm.com

Americas Greg Mekjian, gregory.mekjian@us.ibm.com

Northeast Europe Giorgio Danesi, giorgio.danesi@fi.ibm.com

Japan Yuhichi Shibata, SHIBATA@jp.ibm.com

Asia Pacific (excluding Japan) Yeonho Yoo, yoo@kr.ibm.com