

The background of the slide features a dark, grayscale image showing the silhouettes of several people in a meeting. They are gathered around a table, with their hands and arms visible as they interact with documents or a screen. The lighting is dim, creating a professional and collaborative atmosphere.

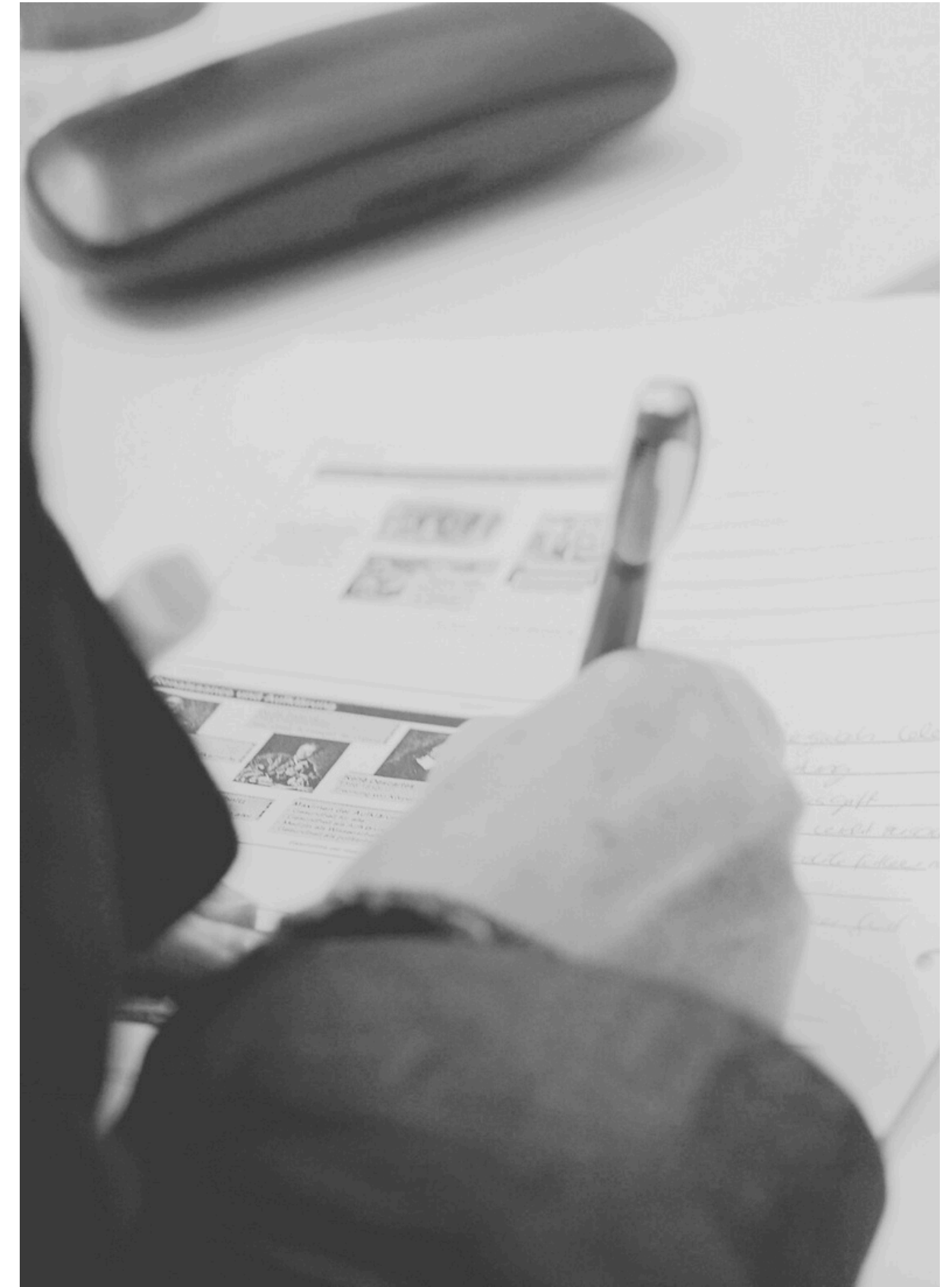
# The Talent Challenge

A snapshot on how organizations identify and manage their talent

March 2025  
Switzerland

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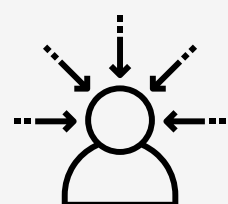


# Executive Summary (1)



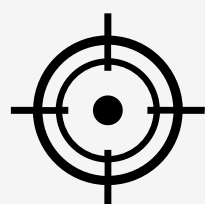
## Sample

- This practitioner report builds on data from organizations using Talent Management. HR professionals from 245 organisations across a range of sectors and industries, predominantly large organizations, participated.
- Most participants have significant knowledge about Talent Management practices due to their tenure and function in the organization.



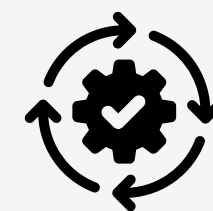
## TM Characteristics

- Although Talent Management practices are relatively new in many of the participating organizations, the maturity of Talent Management is high: most demonstrate a strategic approach by identifying high potential employees and critical positions.
- Most organizations have talent pools with less than 10% of employees. However, organizations are planning to be more inclusive than in the past and to include more employees in Talent Management programs.



## TM Goals

- Focus on retention: 82% of organizations indicate that their Talent Management practices aim to grow future strong leaders, and 79% agree that these initiatives aim to retain key employees.



## Effectiveness and KPIs

- Only 27% of participants agree that their Talent Management practices are highly effective. Organizations that have deployed Talent Management programs for a longer period of time report higher effectiveness.
- 40% of organizations report using promotion/replacement rates of high potentials as a KPI to measure the outcome of talent management practices/programs, followed by job satisfaction and/or engagement of all employees.
- 30% of organizations do not define KPIs for their Talent Management practices.



## Roles and Responsibilities

- In approximately 30% of organizations, line managers have sole responsibility for talent identification and communication. HR plays a more important role in communicating with and developing talent.
- The greatest collaboration between the line and HR is seen (and needed) in talent placement.
- The more strategic the role of HR in the organization, the greater the role of HR in Talent Management.



# Executive Summary (2)



## Communication and Transparency

- Talent Management processes (e.g. potential criteria) are rarely communicated transparently.
- Transparency to talents about their talent status is most widespread: in 45% of organizations, talent status is openly communicated to talents.
- Transparency between departments and divisions is still limited. In 67% of organizations it is not in place.
- More transparent organizations report more effective Talent Management practices and greater strategic integration of the HR function.



## Talent Management Challenges

- Participants report that major challenges include balancing flexibility and stability, ensuring fairness while appreciating talent, and exploring new opportunities in Talent Management.
- Keeping talent expectations realistic constitutes one of the biggest challenges.
- Removing talent status is a challenge. In 71% of organizations, talent status can be removed due to performance issues and in 46% of organizations due to promotion.



## Talent Development

- Organizations are investing in the training and development of high potentials. Development needs are identified in 47% of organizations and development plans are in place in 42% of organizations.
- There is potential for improvement in tracking talent development and providing ongoing feedback. In 32% of organizations, high potentials do not receive ongoing feedback on their development.
- High potentials receive 4 days more training per year than other employees.



## Future Trends

- Organizations are increasingly using digital tools for talent management. However, 17% of organizations indicated that they do not have any digital tools for this purpose.
- The most commonly mentioned tools include Excel, SAP SuccessFactors, Workday and Umantis. Excel is by far the most commonly cited tool.
- 74% of organizations recognize the need for skills-based approaches to HRM. However, only 17% use a skills taxonomy and 12% conduct a skills audit of employees.



# 1. About the Study

## Relevance

- Technological change, demographic trends and volatile economic and social environments threaten organizations' ability to attract and retain talent. Talent Management (TM) has been identified as one of the five most important capabilities for CEOs to master (PwC, 2022).
- However, TM requires significant investment and careful balancing of the often competing demands of different stakeholders: talent, employees, line managers and HR professionals. These challenges manifest themselves in the design of TM processes.
- This report aims to shed light on how organizations in Switzerland are implementing TM and provides selected insights in a practical way that allows for benchmarking and reflection.

### Sources:

Collings, D. G., & Mellahi, K. (2009). Strategic talent management: A review and research agenda. *Human Resource Management Review*, 19(4), 304-313.  
Gallardo-Gallardo, E., Thunnissen, M., & Scullion, H. (2020). Talent management: context matters. *The International Journal of Human Resource Management*, 31(4), 457-473.  
PwC (2022). PwC's 25th Annual Global CEO Survey. Available online: [link](#)

## Information about this Report

- This report presents the results of the research project "[The Talent Recipe](#)" conducted by the Lucerne University of Applied Sciences and Arts and the University of Lucerne and funded by the Swiss National Science Foundation (grant no. 212485).
- This practitioner report builds on data from organizations that have implemented TM. Participating organizations meet the following criteria to some degree: (1) systematically identify critical positions aligned with business strategies, and/or (2) systematically identify employees with high potential, and/or (3) offer specific development opportunities to employees with high potential (Collings & Mellahi, 2009).
- The study focuses on exclusive TM practices. TM encompasses "activities and processes that involve the systematic attraction, identification, development, engagement, retention, and deployment of those talents who are of particular value to an organization" (Gallardo-Gallardo et al., 2020, p. 457).

# 1. About the Study

## Data Collection

Data collection took place between September and November 2024 via an online survey and was conducted in collaboration with the HR Swiss and ZGP professional associations. In addition, a representative sample of around 800 organizations with at least 200 employees from the Swiss Federal Statistical Office was included. The invitation to participate in the study was widely distributed in the respective communities and via professional social media. The total sample includes HR professionals from 245 organizations from a diverse range of industries, most of them being large international organizations (please note that the effective number of responses varies depending on the question, see appendix).

## Ethics Approval and Confidentiality

The present study has received ethical approval from the Ethics Committee of the Lucerne University of Applied Sciences and Arts. All participating HR professionals and their organizations were assured of confidentiality.

## Limitations

Sample size and response rate affect the generalizability of the findings. Larger organizations are over-represented in the sample (but this is to be expected as TM is typically observed in larger companies). Apart from the organizational size, the sample can be considered representative in terms of industries and sectors (see appendix).

## Future Research

The research team has several projects in the area of TM. Please contact us ([anna.sender@hslu.ch](mailto:anna.sender@hslu.ch)) if you would like more information or would like to explore TM topics with us.

## How to Cite this Report

Kost, S., Pletscher, M., & Sender, A. (2025). The Talent Challenge: A snapshot on how organizations identify and manage talent. Lucerne, Switzerland: Lucerne University of Applied Sciences and Arts.



## 2. About the Authors



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A PhD student at the University of Lucerne and a research associate at Lucerne University of Applied Sciences and Arts. She is engaged in the “Talent Recipe” research project, which is funded by the SNSF. Her research interests include Talent Management communication, organizational transparency, and talent identification.



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A researcher and lecturer at the University of Lucerne, as well as a research team member at the SNSF-funded “Talent Recipe” project at Lucerne University of Applied Sciences and Arts. Her research focuses on organizational communication and Talent Management. She also works as a self-employed business communications consultant.



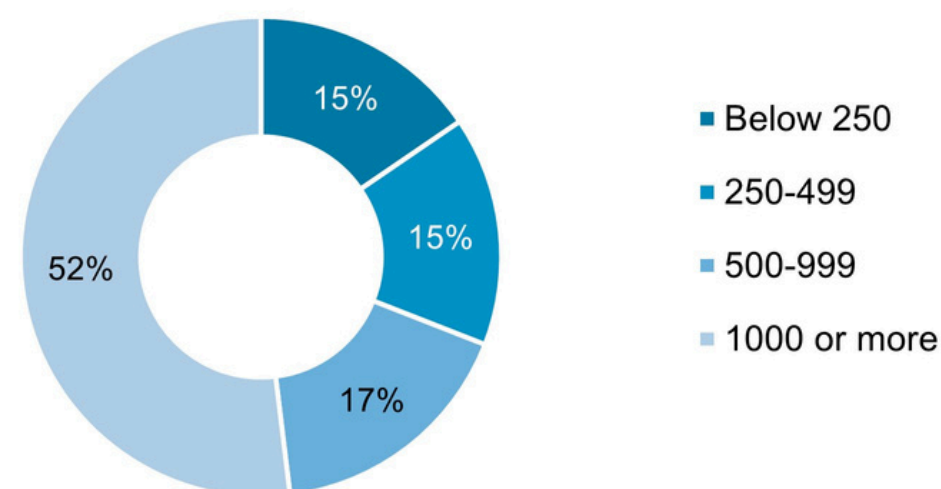
**Prof. Dr. Anna Sender**

A professor at Lucerne University of Applied Sciences and Arts and senior lecturer at University of Lucerne, the leader of the SNSF-funded “Talent Recipe” project. She represents Switzerland in the CRANET international network, is the board member of the Zurich HR professional association (ZGP), and a managing partner of the HR advisory start-up HR ConScience GmbH.



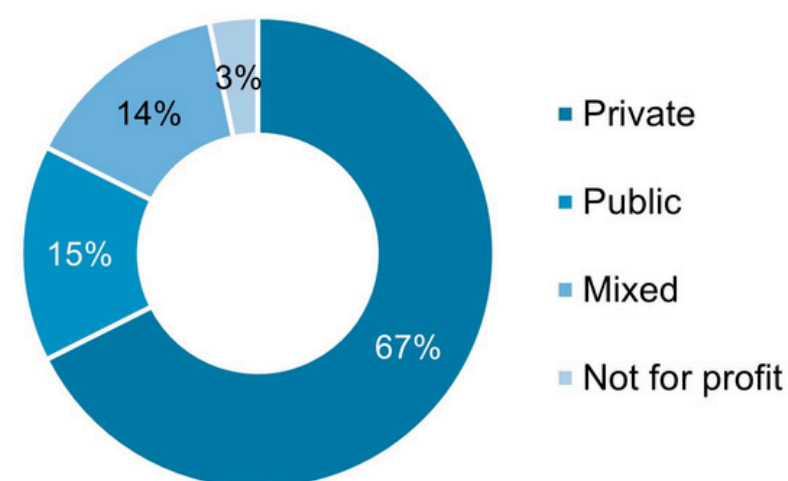
# 3. Sample: Characteristics of Organizations

Organization Size



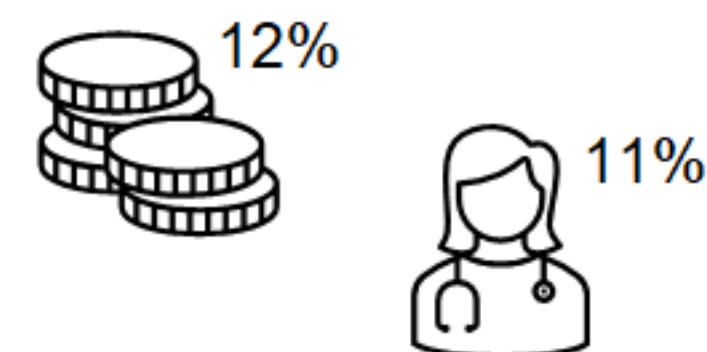
The report includes data from **large organizations**. Of all organizations that participated in the study, approximately 85% have more than 250 employees.

Sector



**The majority** of organizations (67%) **operate in the private sector**, followed by public sector organizations (15%) and mixed organizations (14%).

Industry



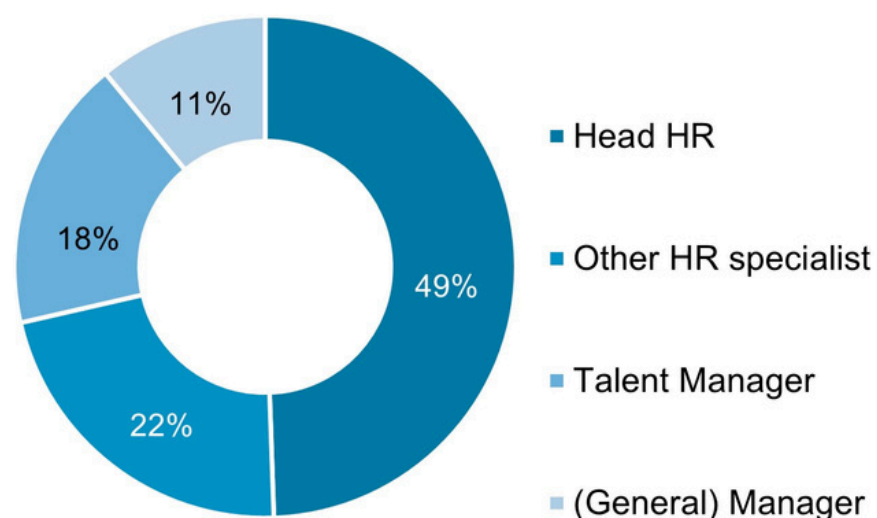
The sample includes organizations operating across 20 different industries, with the **financial and insurance services** (12%) and **human health services, residential care and social work activities** (11%) being the most represented.



**Representativeness of the data:** larger organizations are over-represented in the sample (which, however, is to be expected since TM is typically observed in larger companies). Apart from the organizational size, the sample can be considered representative in terms of industries and sectors.

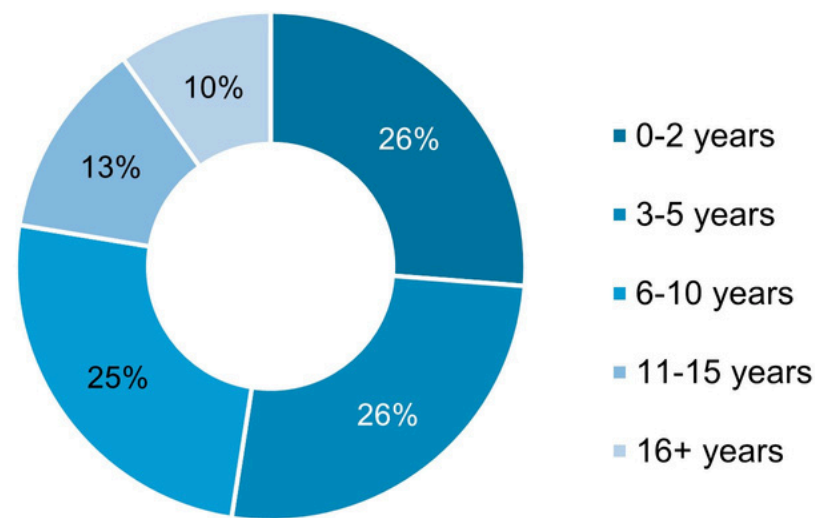
# 3. Sample: Characteristics of Participants

Function



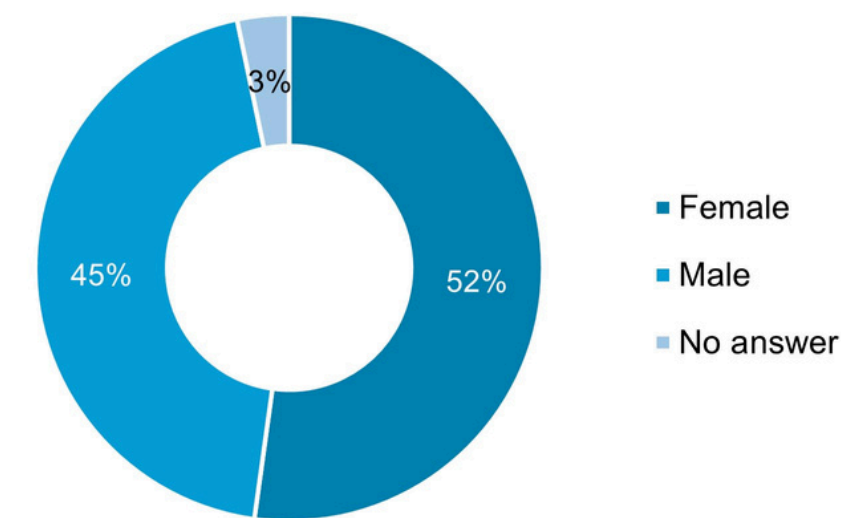
The majority of study participants **hold a role in an HR department** (89%), while the remaining 11% have another managerial role in their organization.

Tenure in the Organization

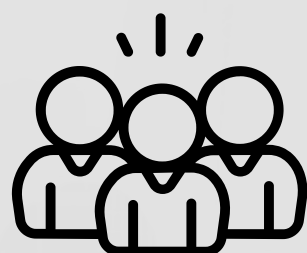


Around a quarter of respondents have been working in their organization for less than 2 years, while **51% have been working in their organization for between 3 and 10 years**.

Gender



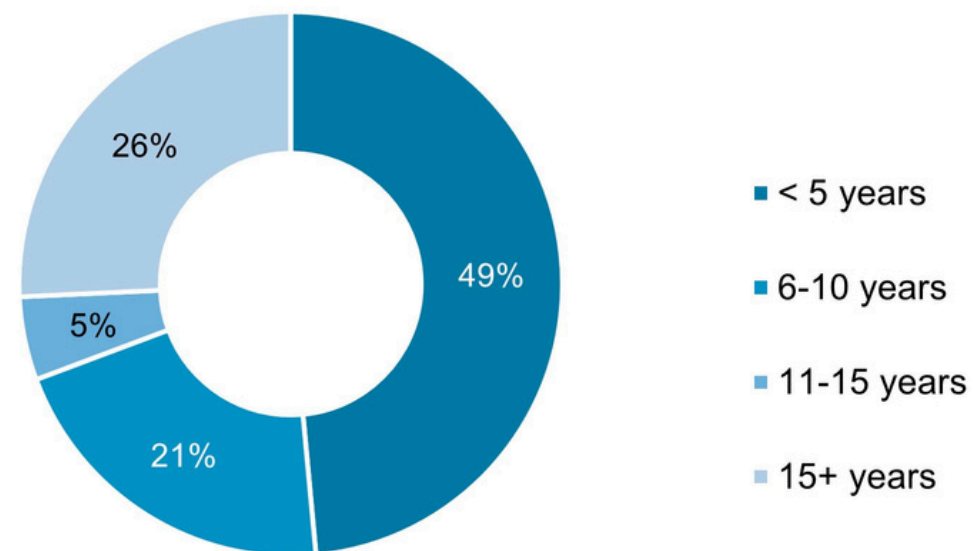
The gender distribution in the sample is fairly **balanced** with slightly over half of the participants being female.



Most of the participants have **significant knowledge about TM practices** due to their function and tenure in their organizations.

# 4. Talent Management in a Nutshell

How long is TM in place in the organization?



Maturity of TM practices

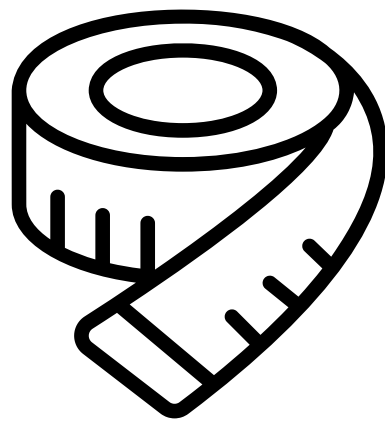


Although many participating organizations have newer TM practices, most demonstrate a **strategic approach** by identifying high-potential employees and critical positions.

*Note.* TM of greater maturity is characterized by a systematic approach to identifying critical positions, high potential employees and their development.

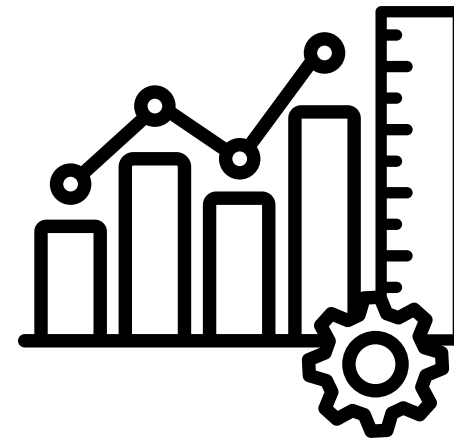


## 4. Organizations with more mature Talent Management programs...



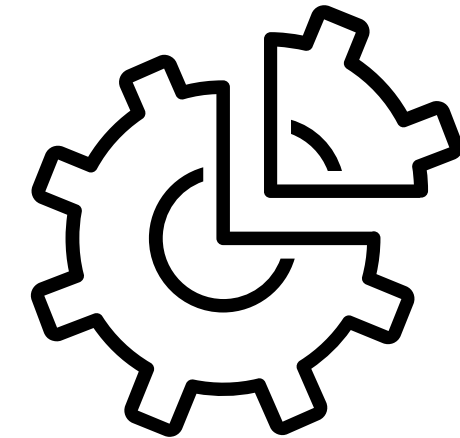
...report to perform\* better than their competitors ( $r = .261, p < .01$ ).

\* **Performance** measured as follows:  
Compared to other organizations in your sector, how would you rate the performance of your organization in relation to (from 1 = poor to 5 = superior): service quality, productivity, profitability, innovation, stock market performance, environmental matters, employee engagement. See information on measurements in the appendix.



...report their TM programs to be more effective\*\* ( $r = .59, p < .01$ ).

\*\* **Effectiveness of TM** measured by agreement with four statements on a scale 1 = strongly disagree to 5 = strongly agree. Sample item: "Management is very happy with how the high-potential practices/programs contribute to achieving the overall organizational goals". See information on measurements in the appendix.



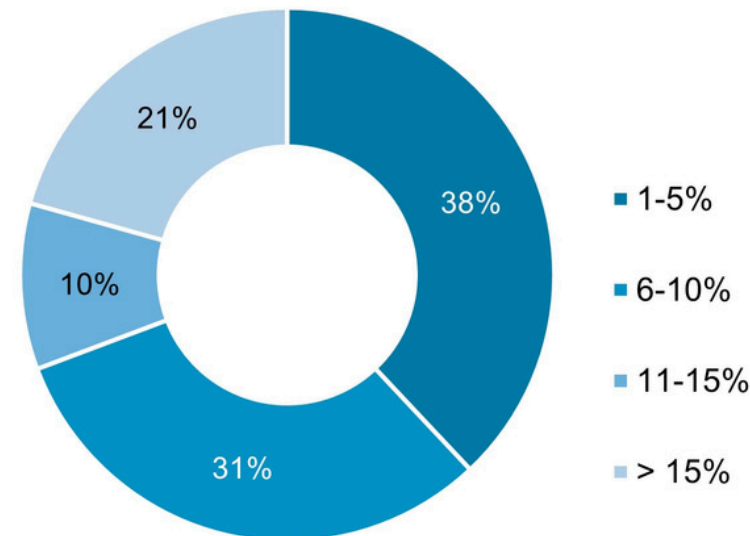
...report a greater strategic integration\*\*\* of HR function ( $r = .41, p < .01$ ).

\*\*\* **Strategic integration** measured by agreement with six statements on a scale 1 = strongly disagree to 5 = strongly agree. Sample item: "The HR department supports the organization's business strategy". See information on measurements in the appendix.

# 4. Talent Management in a Nutshell

## Current Talent Pool

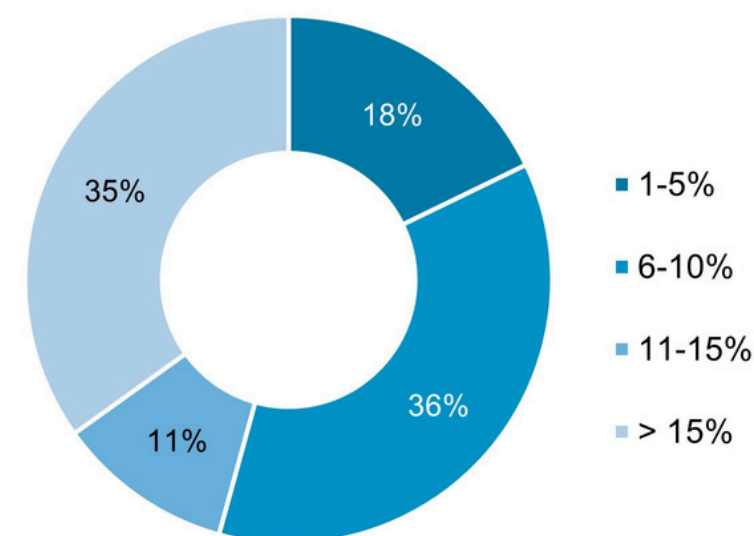
Percentage of employees currently identified as high potential



In the majority of the organizations (69%), **less than 10% of employees** are included in the talent pools.

## Target Talent Pool

Percentage of employees that will be identified as high potential in the future



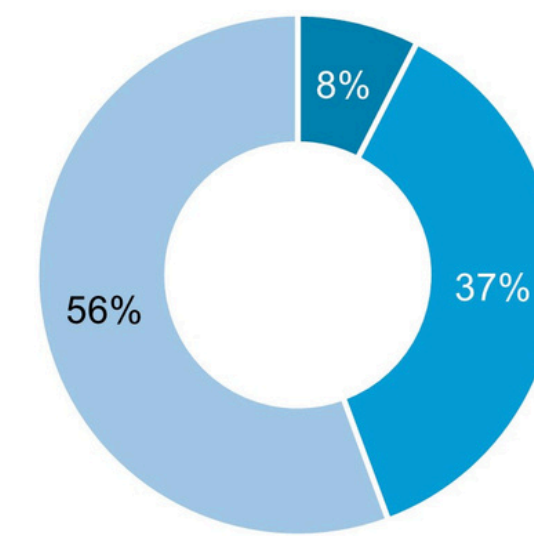
Almost half of organizations (46%) plan to include **more than 10% of employees** in their talent pools in the future.

## Possibility for Self-Nomination

■ Defined procedure for direct self-nomination.

■ Employees can indicate their wish to participate in the high-potential program to the line manager or HR.

■ Nomination is done by the line manager or HR without employee involvement.



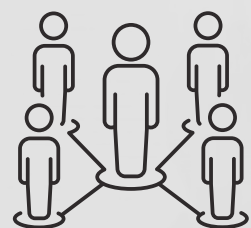
The procedure for talent self-nomination is **formally defined only in 8%** of organizations.



Organizations **are planning to become more inclusive** and include more employees in TM. Indeed, on average, participants report that they personally believe that 46% of their employees are actually talented.

# 5. Why: Goals and Motives

- 82% of participants indicate that their TM practices aim **to grow future strong leaders**.
- 79% indicate that these initiatives aim **to retain key employees**.
- The **annual turnover rate** among high potentials is **4% lower** than among all employees (6% vs. 10%).



Although other strategic goals are important, the key reasons why organizations invest in TM are **growing leadership talent and retention**.

## Our TM Practices Aim to...



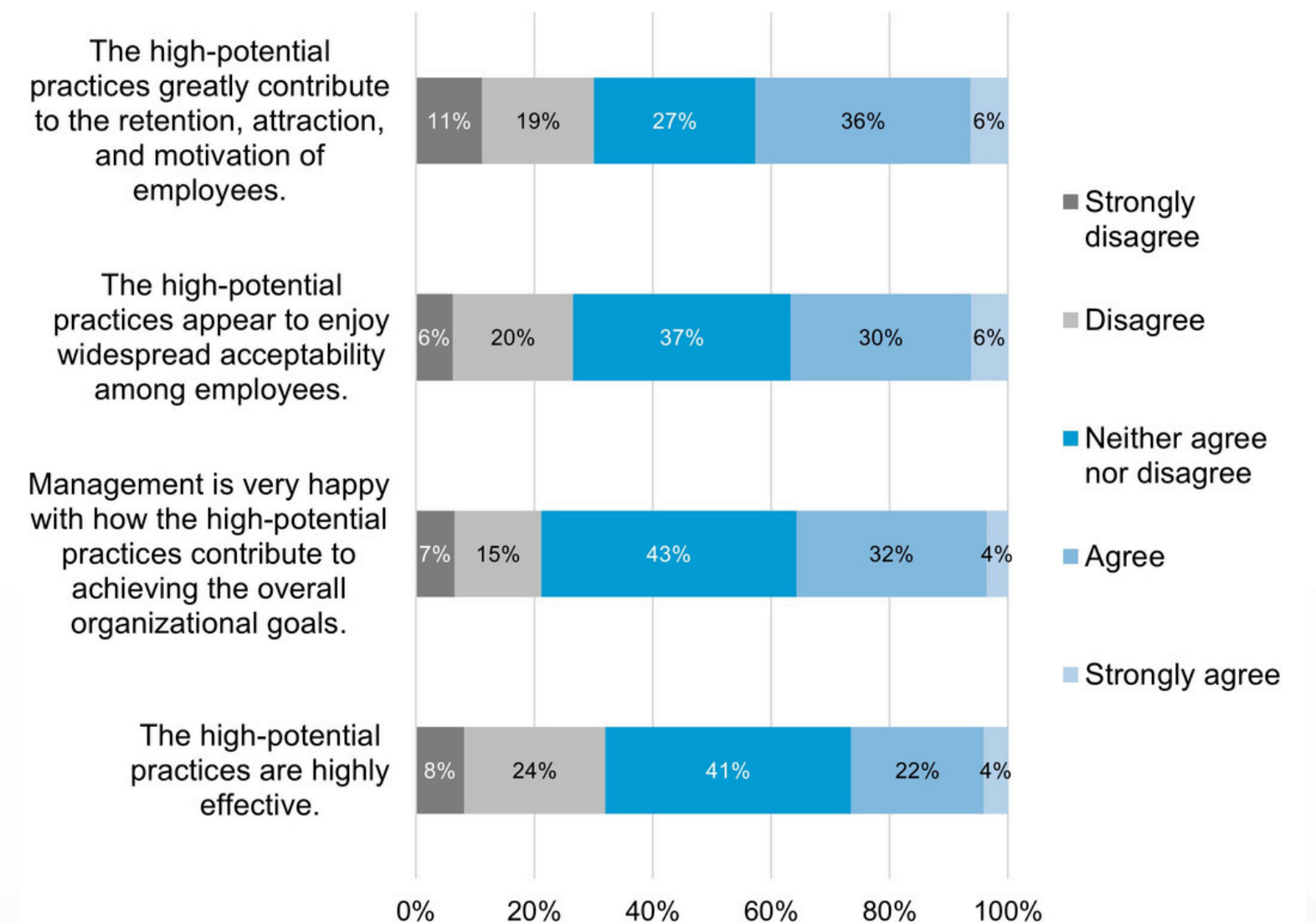
*Note.* Goals measured by agreement with four statements on a scale 1 = strongly disagree to 5 = strongly agree. Mean values are presented.



# 5. Why: Talent Management to Enhance Organizational Performance

- Only 27% of participants agree with the statement that their **TM practices are highly effective**.
- Organizations with **longer TM tenure** report higher effectiveness ( $r = .33, p < .01$ ).
- Importantly, 25% of participants chose **not to answer the question about effectiveness**.

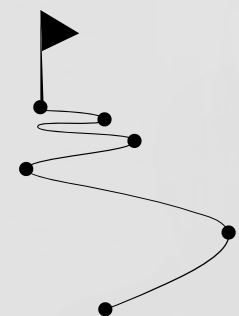
Effectiveness of TM



Measuring and ensuring the **effectiveness of TM remains a challenge** for many organizations. Acceptance by management and employees is achieved in 36% of organizations.

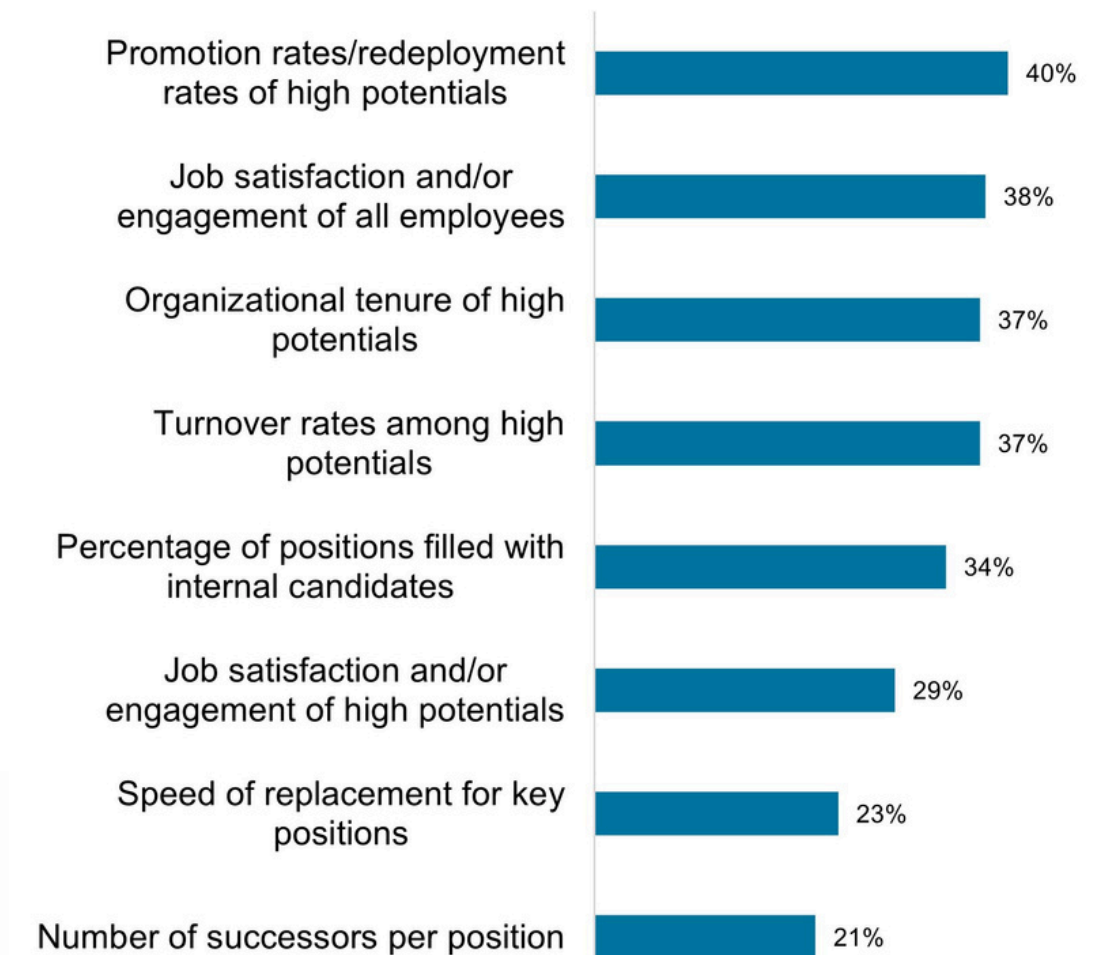
## 5. Why: KPIs

- 40% of study participants reported using **promotion rates/redeployment rates of high potentials** as a KPI to measure the outcome of high-potential practices/programs.
- 38% of study participants reported using **job satisfaction and/or engagement of all employees**.



**Tracking the progress of TM activities is challenging** for organizations. Over 30% indicate having no defined KPIs. Considering substantial investments involved, there appears to be a need for more data-driven approaches to systematically evaluate the effectiveness of TM.

### TM KPIs



No defined KPIs in my organization 30%

*Note.* KPI measured by agreement with question: Please indicate how your organization measures the impact of the high-potential practices/programs (more than one answer possible). Frequencies are presented.

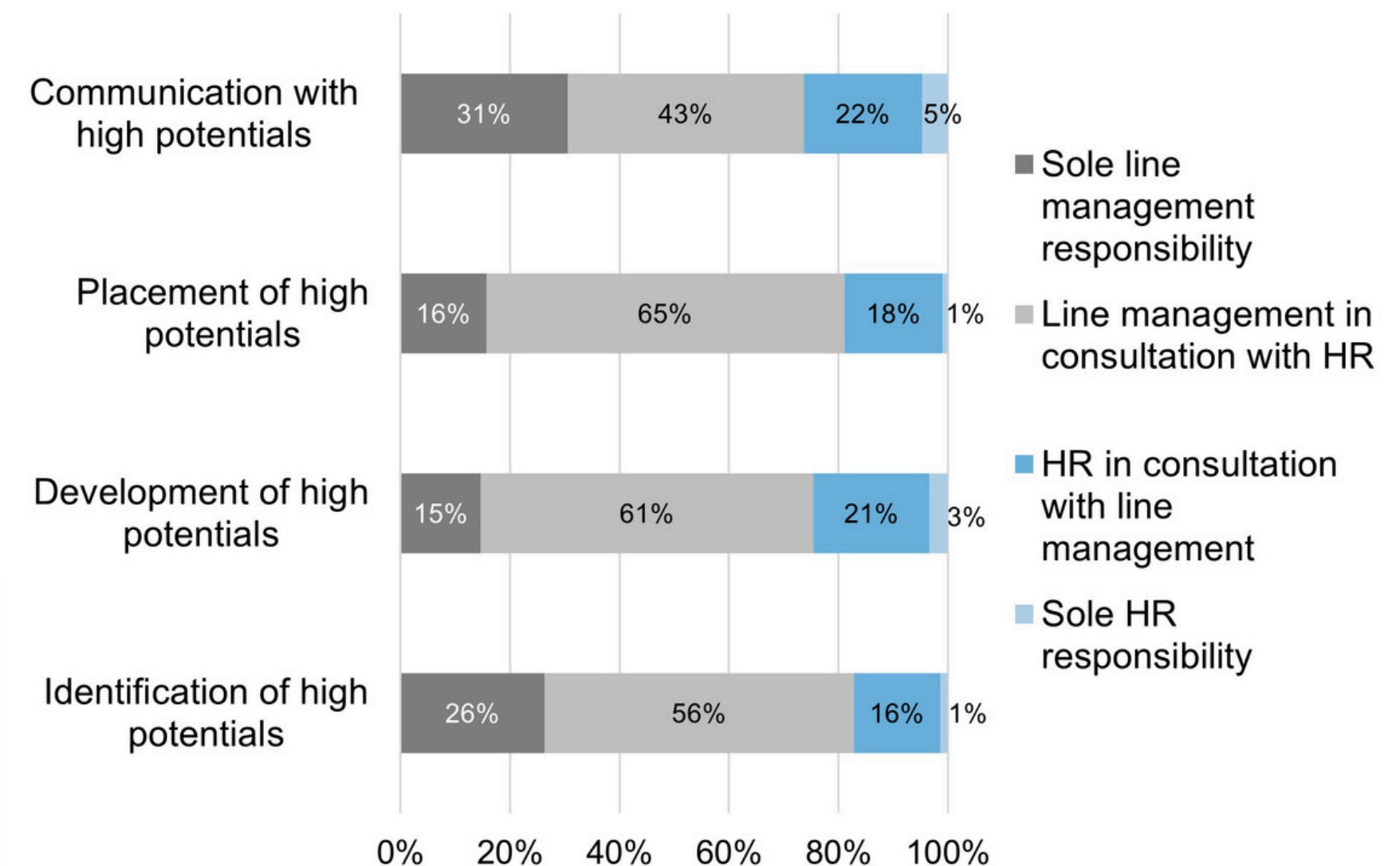
# 6. How: Roles in Talent Management

- Strategic integration of the HR function: In over 70% of organizations, **HR strategies are aligned with business needs** and **HR is involved in the strategic planning process**.
- In 74% of organizations, **communication with high potentials** is in the hands of **line managers**.
- The **greater the strategic integration of HR, the greater the role of HR in TM** ( $r = .35, p < .01$ ).



According to HR professionals, in most organizations there is a strong **collaboration between the line and management** in TM. At the same time, the primary responsibility more often lies with the line than with HR.

Main Responsibilities in TM





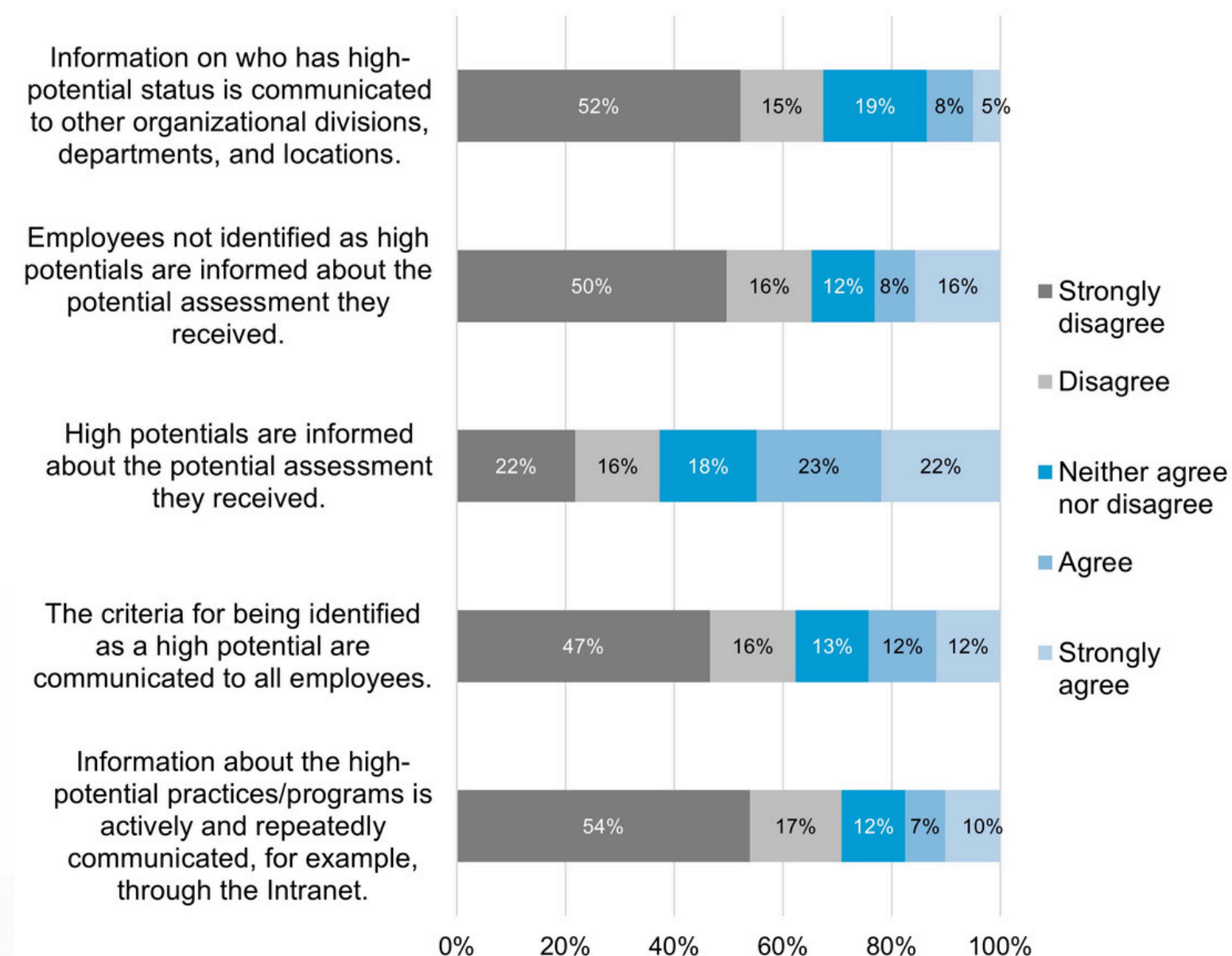
## 6. How: Communication

- The organizations exhibit significant variation in their communication policies with talents. However, **transparency towards talents about their talent status is the most widespread (45%)**.
- **Transparency between departments and divisions is still limited.** It is absent in 67% of organizations. This is a missed opportunity for talent placement.
- Information about TM processes, such as potential criteria, is rarely communicated.

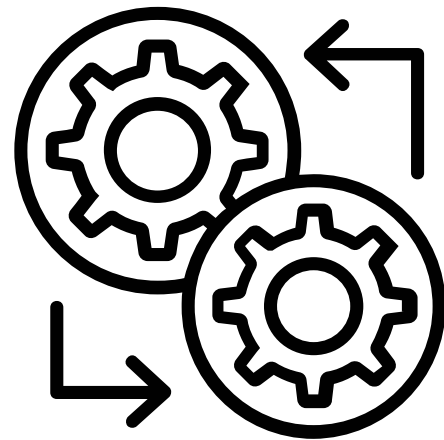


Transparency in TM remains a great challenge for organizations with most being rather **secretive about processes and outcomes**, especially towards non-nominated employees.

Communication in TM

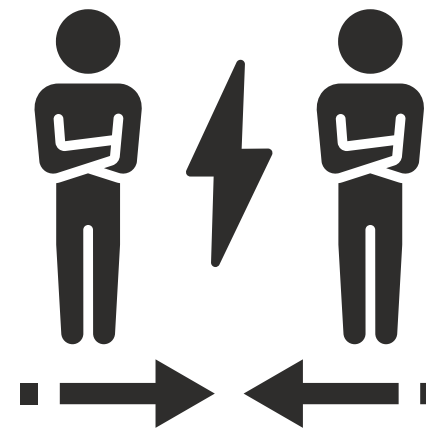


## 6. Organizations with more transparent Talent Management programs...



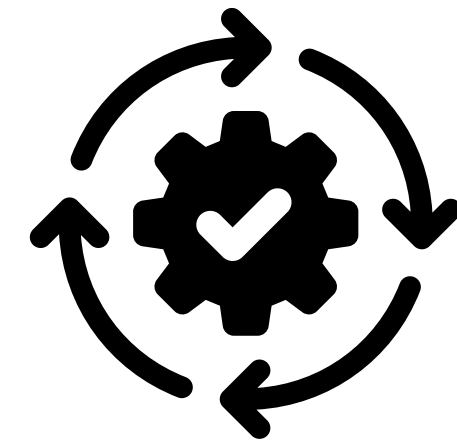
...report greater strategic integration\* of HR function ( $r=.27, p< .01$ ).

\* **Strategic integration** measured by agreement with six statements on a scale 1 = strongly disagree to 5 = strongly agree. Sample item: "The HR department supports the organization's business strategy". See information on measurements in the appendix.



...report experiencing greater tensions in TM\*\* ( $r=.20, p< .01$ ).

\*\* **Tensions in TM** measured by agreement with eight statements on a scale 1 = strongly disagree to 5 = strongly agree. Sample item: "Talent Management, we need to meet multiple and competing goals of different stakeholders". See information on measurements in the appendix.



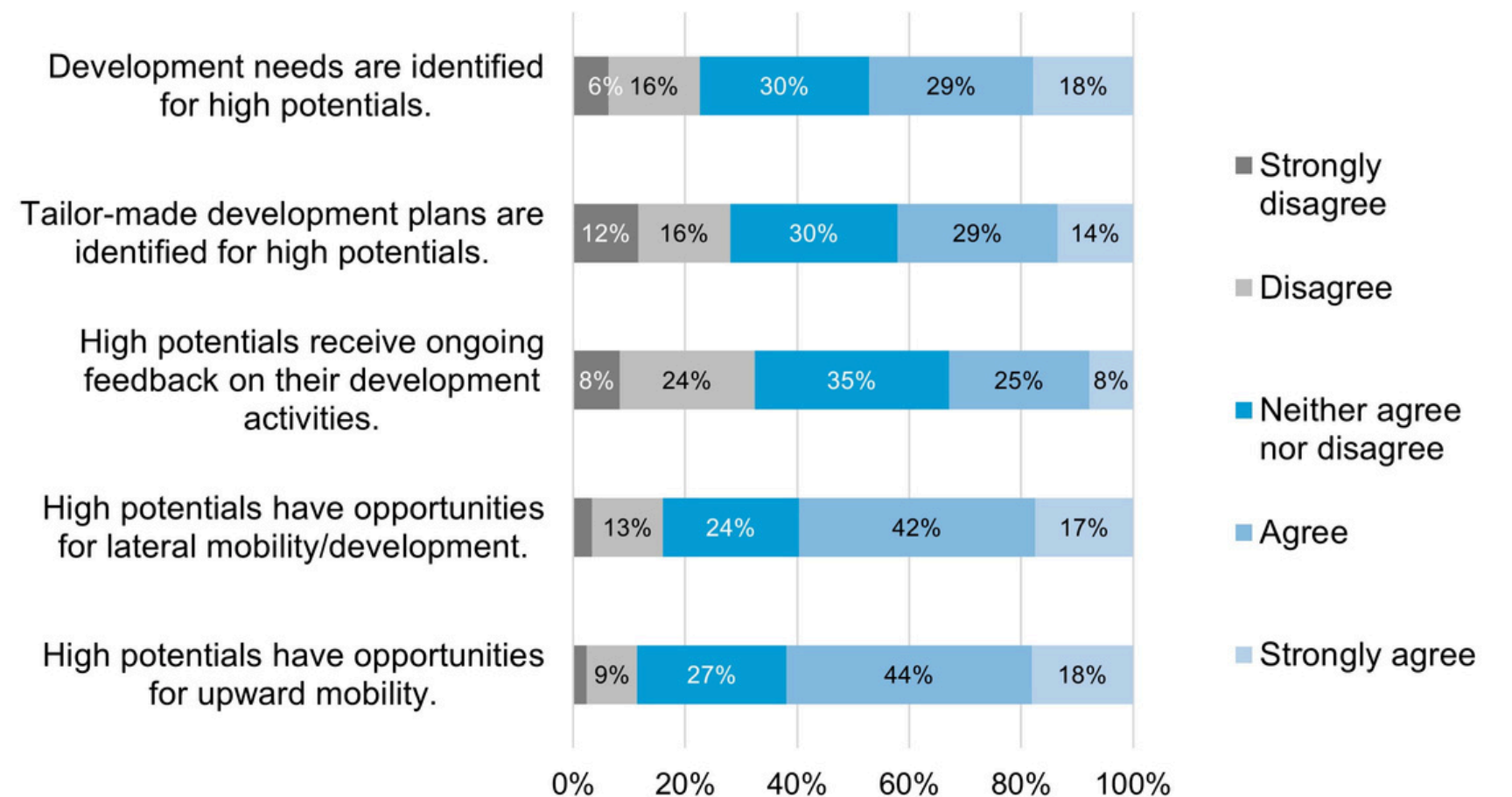
...report their TM programs to be more effective\*\*\* ( $r=.59, p< .01$ ).

\*\*\* **Effectiveness of TM** measured by agreement with four statements on a scale 1 = strongly disagree to 5 = strongly agree. Sample item: "Management is very happy with how Talent Management contributes to achieving the overall organizational goals". See information on measurements in the appendix.

## 6. How: Development

- On average, **high potentials receive more training than other employees** (9.6 days of training per year vs. 5.1 days).
- In 32% of organizations, **high potentials do not receive ongoing feedback on their development.**
- The greater the **investment in talent development, the stronger the experience of TM-related tensions** (e.g., meeting competing goals of different stakeholders) in organizations ( $r=.24, p< .01$ ).

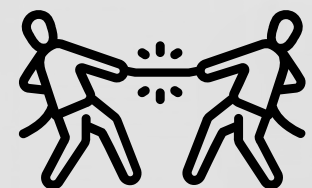
### Investments in High-Potential Development



Organizations are investing in the training and development of high potentials. Development needs are identified in 47% of organizations and development plans are in place in 42% of organizations. The **potential for improvement** lies in **tracking the development** of talent and providing ongoing feedback.

# 7. Challenges: Tensions

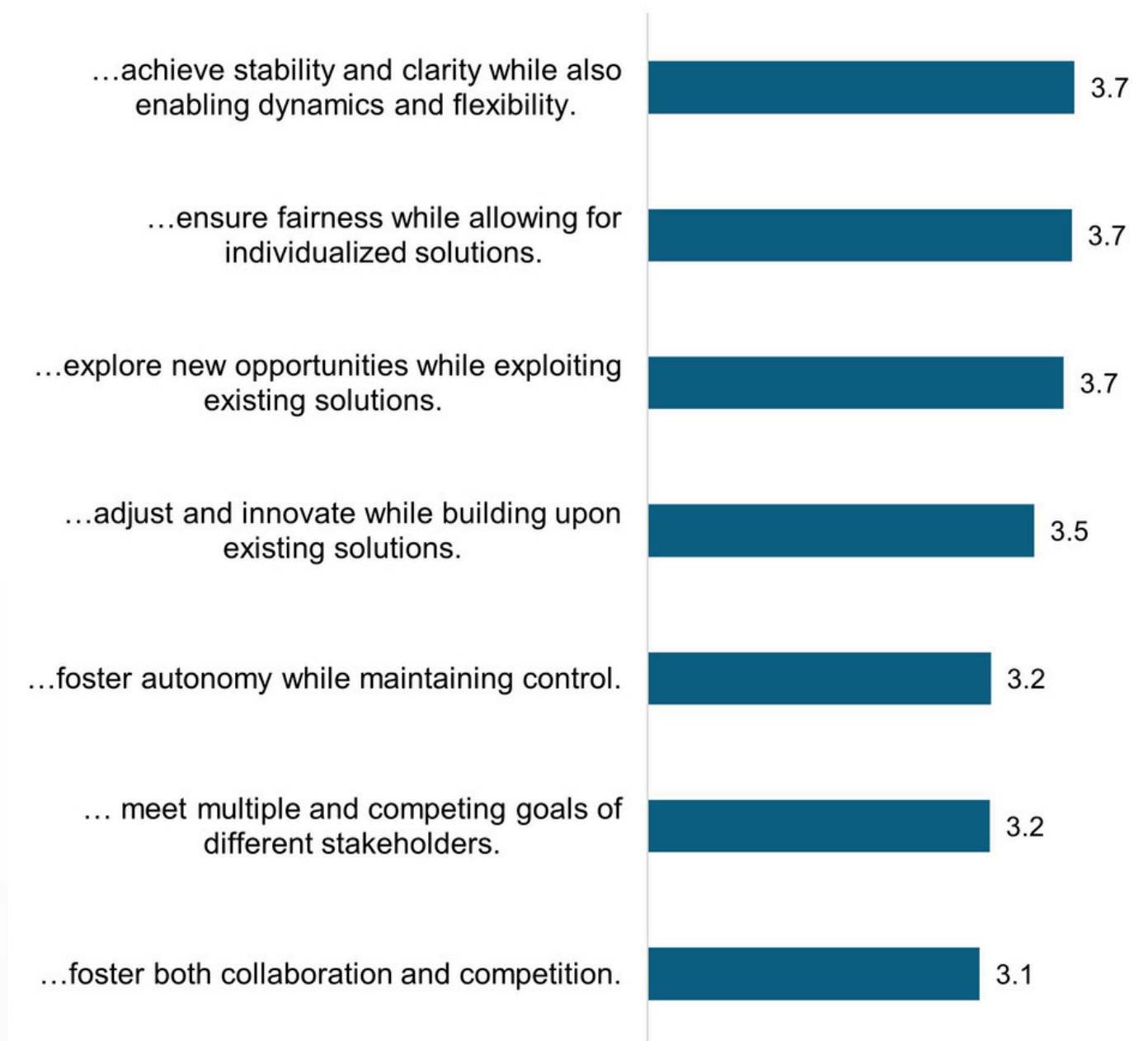
- The greatest tensions exist in **achieving stability and flexibility and ensuring fairness for different employee groups.**
- Organizations that are **more mature** in their TM ( $r=.15, p<.05$ ) and those that are **more transparent** ( $r=.19, p<.01$ ) report experiencing **greater tensions.**



TM is challenging for organizations as it **requires reconciliation of competing goals and stakeholder expectations** (e.g., talents, non-nominated employees, line managers). Ensuring flexibility and fairness is particularly challenging in today's fast-paced environment.

## Ranking of Tensions in TM

In the high-potential practices/programs, we need to...



*Note.* Tensions measured by agreement with questions indicated above on the scale 1 = strongly disagree, 5 = strongly agree. Mean values are presented.

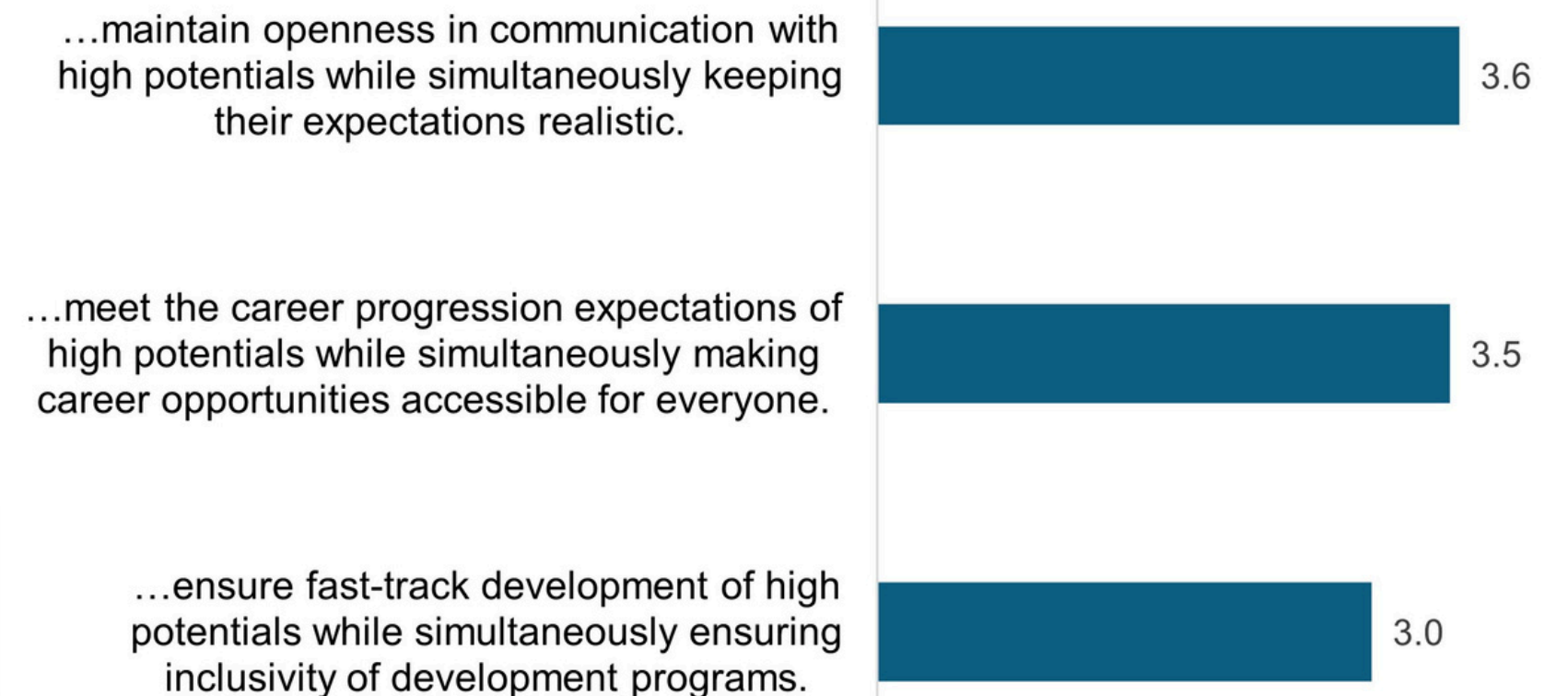


# 7. Challenges: Managing Expectations

## Managing Expectations of Different Employee Groups

In my organization, it is difficult to ...

- **Maintaining open communication with high potentials and keeping their expectations realistic** remains a key challenge for organizations.
- In 71% of organizations, **low performance** is the reason why employees identified as **talents lose their status**, in 46% it is promotion.
- **Organizations with more transparent TM experience greater tensions**, e.g., in ensuring fairness while allowing for individualized solutions ( $r=.15, p<.05$ ).



*Note.* Meeting expectations measured with agreement with questions indicated above on the scale 1 = strongly disagree, 5 = strongly agree. Mean values are presented.

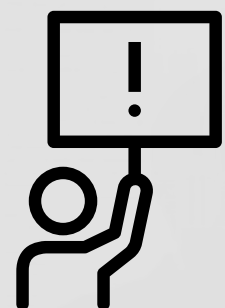


Keeping the **expectations of talents realistic** constitutes one of the **greatest challenges**. Indeed, in most organizations, talent status can be removed for example due to performance issues.

# 8. The Future: Skills and Tools

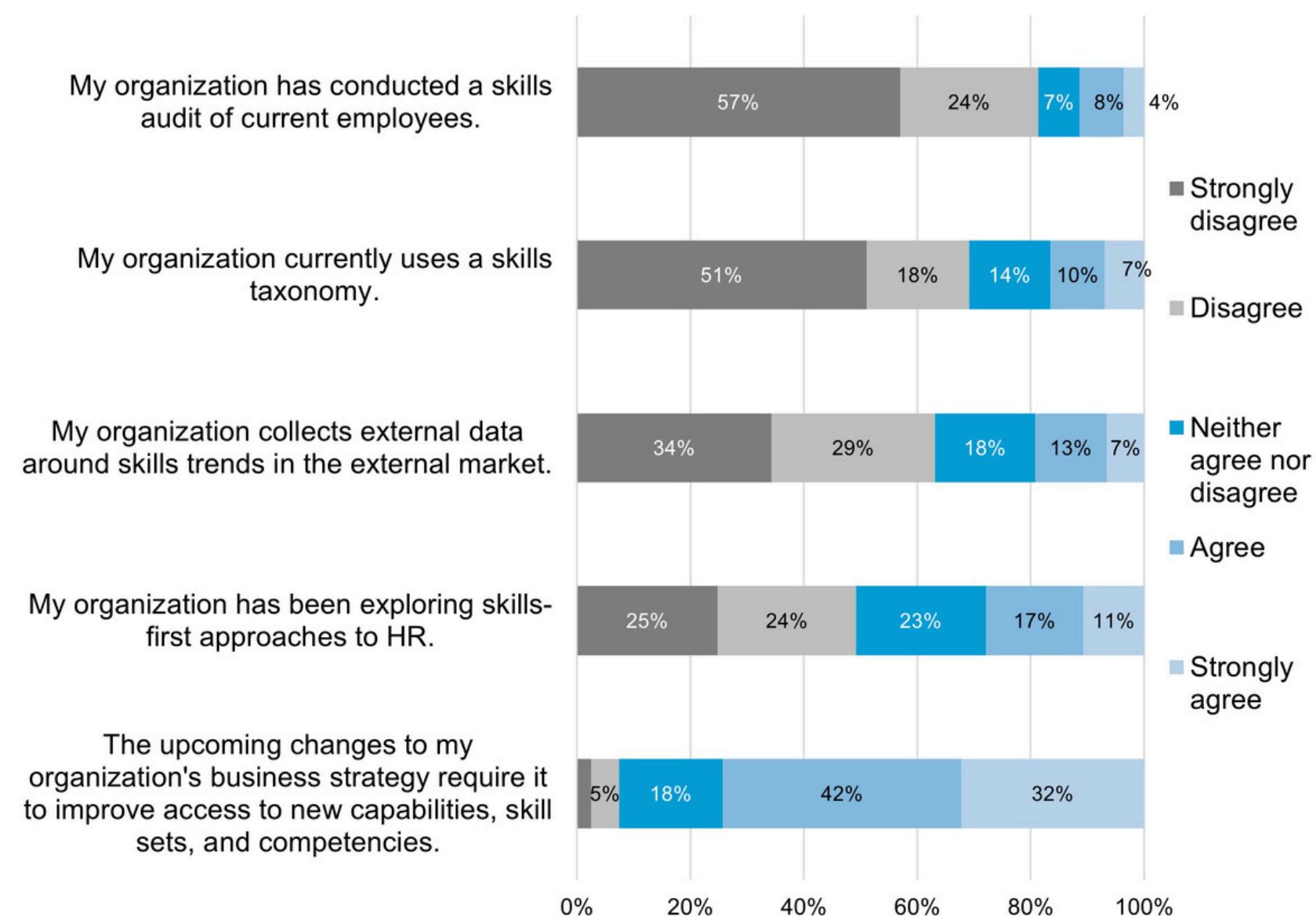
## Technology in TM

- Organizations are **increasingly using digital tools for TM**. However, 17% indicated that they did not have any specific digital tools.
- Most commonly mentioned tools include **Excel, SAP SuccessFactors, Workday, and Umantis**. Excel is by far the most often mentioned tool.
- Many organizations use a **hybrid approach** (Excel + other digital tools) or are still in the process of implementing new systems.



Organizations recognize **the need for new approaches in TM** such as skill-based methods (74%) and technology. However, many organisations have not yet implemented sophisticated systems.

## Skills-Based Approaches



# Final Remarks



We would like to thank the participating organizations for supporting our research. We also would like to express our gratitude to HR Swiss (BGP, HR Bern, HR Fribourg, HR Genève, HR Jura-Bienne, HR Neuchâtel, HR Ticino, HR Valais, HR Vaud) and Zürcher Gesellschaft für Personalmanagement (ZGP) for their support and collaboration in our project.



Further information on the Talent Recipe Project and an in-depth complementary report based on interviews with 47 HR professionals can be obtained [here](#).



If you have any questions about the report, please contact Anna Sender, Lucerne University of Applied Sciences and Arts, Switzerland: [anna.sender@hslu.ch](mailto:anna.sender@hslu.ch)



# Appendix: Information on Measurements

Topic	Question	Options	N
<b>Talent Maturity</b>  Source: Collings, D. G., Mellahi, K., & Cascio, W. F. (2019).Global Talent Management and Performance in Multinational Enterprises: A Multilevel Perspective. Journal of Management, 45(2), 540-566.	To what extent does your organization have high-potential practices/programs in place? 1.My organization systematically identifies critical positions aligned with business strategies. 2.My organization systematically identifies high-potential and high-performing employees. 3.My organization offers specific development opportunities to employees with both high potential and high performance.	1 = not at all 2 = to a limited extent 3 = (e.g., only in certain departments/locations) 4 = to a great extent 5 = to a very great extent No answer	N = 245
<b>Organizational Performance</b>  Source: Scale adapted from Berkery, E., Morley, M. J., Tiernan, S., Purtill, H., and Parry, E. (2017) On the Uptake of Flexible Working Arrangements and the Association with Human Resource and Organizational Performance Outcomes. European Management Review, 14: 165–183.	Compared to other organizations in your sector, how would you rate the performance of your organization in relation to the following: 1.Service quality 2.Productivity 3.Profitability 4.Innovation 5.Stock market performance 6.Environmental matters 7.Employee engagement/job satisfaction	1 = Poor or at the low end of the industry 2 = Below average 3 = Average or equal to the competition 4 = Better than average 5 = Superior No answer	N = 175
<b>Effectiveness of TM practices</b>  Source: Scale adapted from Balkin, D.B. and Gomez-Mejia, L.R. (1990), Matching compensation and organizational strategies. Strategic Management Journal, 11: 153-169.	Please indicate to what extent you agree with the following statements regarding the effectiveness of your organization’s high-potential practices/programs: 1.The high-potential practices/programs are highly effective. 2.Management is very happy with how the high-potential practices/programs contribute to achieving the overall organizational goals. 3.The high-potential practices/programs appear to enjoy widespread acceptability among employees. 4.The high-potential practices/programs greatly contribute to the retention, attraction, and motivation of employees.	1 = Strongly disagree 2 = Disagree 3 = Neither agree nor disagree 4 = Agree 5 = Strongly agree No answer	N = 152
<b>Responsibilities in TM (HR Devolution)</b>  Source: Adapted from Budhwar, P.S. (2000). Evaluating levels of strategic integration and development of human resource management in the UK. Personnel Review, 29(52), 141-157.	Please indicate with whom primary responsibility lies regarding your organization's high-potential practices/programs: 1.Identification of high potentials 2.Development of high potentials 3.Placement of high potentials (e.g., promotion) 4.Communication with high potentials regarding their development paths and status	1 = Sole line management responsibility 2 = Line management in consultation with HR 3 = HR in consultation with line management 4 = Sole HR responsibility No answer	N = 213

# Appendix: Information on Measurements

Topic	Question	Options	N
<div><b>Strategic Integration of HR function</b></div> <div>Source: Scale adapted from Glaister AJ, Karacay G, Demirbag M, Tatoglu E. HRM and performance—The role of talent management as a transmission mechanism in an emerging market context. Human Resource Management Journal 2018; 28: 148–166.</div>	<div>Please indicate to what extent you agree with the following statements regarding the HR department’s role and involvement in serving your organization’s strategic priorities:</div> <div>1.HR strategies are aligned with business needs. 2.The HR department supports the organization’s business strategy. 3.The HR department is at the forefront of shaping the strategic direction of the business. 4.The HR department is considered a partner in the management of the business and an agent for change. 5.The HR department is involved in the strategic planning process 6.The HR department is taken seriously by the organization’s senior management team.</div>	<div>1 = Strongly disagree 2 = Disagree 3 = Neither agree nor disagree 4 = Agree 5 = Strongly agree No answer</div>	<div>N = 218</div>
<div><b>Tensions in TM</b></div> <div>Source: Scale adapted from Ella Miron-Spektor, Amy Ingram, Joshua Keller, Wendy K. Smith, and Marianne W. Lewis, 2018: Microfoundations of Organizational Paradox: The Problem Is How We Think about the Problem, AMJ, 61, 26–45 and Aust, I., Brandl, J., &amp; Keegan, A. (2015). State-of-the-Art and Future Directions for HRM from a Paradox Perspective: German Journal of HRM, 29(3-4), 194-213.</div>	<div>Please indicate to what extent you agree with the following statements regarding tensions in your organization’s high-potential practices/programs. We need to ...</div> <div>1.... meet multiple and competing goals of different stakeholders. 2.... adjust and innovate while building upon existing solutions. 3.... achieve stability and clarity while also enabling dynamics and flexibility. 4.... explore new opportunities while exploiting existing solutions. 5.... ensure fairness while allowing for individualized solutions. 6.... foster both collaboration and competition. 7.... foster autonomy while maintaining control. 8.... provide direction while maintaining flexibility.</div>	<div>1 = Strongly disagree 2 = Disagree 3 = Neither agree nor disagree 4 = Agree 5 = Strongly agree No answer</div>	<div>N = 200</div>
<div><b>Tensions in TM Communication</b></div> <div>Source: Scale developed analogically to Ingram, A. E., Lewis, M. W., Barton, S., &amp; Gartner, W. B. (2016). Paradoxes and Innovation in Family Firms: The Role of Paradoxical Thinking. Entrepreneurship Theory and Practice, 40(1), 161-176 and Tahmasebi, R., &amp; Nijs, S. (2024). A paradox perspective on talent management: a multi-level analysis of paradoxes and their responses in talent management. The International Journal of Human Resource Management, 35(3), 507–562.</div>	<div>Please indicate to what extent you agree with the statements. In my organization, it is difficult to ...</div> <div>1....recognize both employees with high potential and the remaining employees. 2....ensure fast-track development of high potentials while simultaneously ensuring inclusivity of development. 3....meet the career progression expectations of high potentials while simultaneously making career opportunities accessible for everyone. 4....maintain stability in identifying high potentials while simultaneously fostering new approaches to identification that encourage creativity and vitality. 5....maintain openness in communication with high potentials while simultaneously keeping the expectations realistic. 6....maintain secrecy in communication with high potentials while simultaneously ensuring their commitment and retention.</div>	<div>1 = Strongly disagree 2 = Disagree 3 = Neither agree nor disagree 4 = Agree 5 = Strongly agree No answer</div>	<div>N = 187</div>
<div><b>Skills-based approach</b></div> <div>Source: Scale adapted from Skillnet Ireland (2023). Skills-first: An emerging approach to managing human resources for the new world of work.</div>	<div>Please indicate to what extent you agree with the following statements regarding Skills Management:</div> <div>1.The upcoming changes to my organization’s business strategy require it to improve access to new capabilities, skill sets, and competencies. 2.My organization has been exploring skills-first approaches to HR. 3.My organization collects external data around skills trends in the external market. 4.My organization currently uses a skills taxonomy. 5.My organization has conducted a skills audit of current employees.</div>	<div>1 = Strongly disagree 2 = Disagree 3 = Neither agree nor disagree 4 = Agree 5 = Strongly agree No answer</div>	<div>N = 205</div>

# Appendix: Note on Statistics



## **Correlation Coefficient ( $r$ )**

A measure of the strength and the direction of a linear relationship between two variables. It can take a value from -1 to 1 with the value of -1 indicating a totally negative relationship, a value of 1 a totally positive relationship. 0 indicates no relationship exists.



## **P-Value**

This value indicates the significance of a statistical result. A  $p$ -value smaller than .05 indicates that the observed effect is unlikely to have arisen purely by chance.



## **$N$**

Sample Size: The number of observations (here organizations) included in the analysis.





# Appendix: Note on Representativeness

To evaluate the representativeness of the sample, we compared the data from the study with the official statistics on the organizational landscape in Switzerland, which are publicly available on the website of the Swiss Federal Statistical Office (SFSO): <https://www.bfs.admin.ch/bfs/en/home.html>

- **Sample size.** In November 2024, there were 1'340 companies with more than 250 employees in Switzerland. Our sample (153 organizations with more than 250 employees) corresponds to approximately **11.4% of the total population in Switzerland**.
- **Organization size.** Larger organizations (with over 250 employees) are over-represented in our sample due to the goals of the current research, considering that TM is more commonly needed and implemented in enterprises with a larger number of employees.
- **Industries.** The distinction between industries in the current study and the data available from the SFSO was not entirely identical, thus the research team consequently recalculated the data to reach the closest possible match (e.g., by summing the original distinction between several manufacturing industries to overall manufacturing as provided by the SFSO). Final values of our sample were compared with the SFSO data and can be viewed as mostly representative. With the exception of a few slightly under- or over-represented industries (i.e., construction industry, wholesale and retail trade industry, or electricity, gas, steam, and water supply industry respectively), the proportion of organizations from various industries in our sample largely corresponds with that of SFSO.
- **Sector.** According to the Swiss Statistical Office (2021) approximately 69% of all organizations with more than 100 employees were private. In our sample, 66% of organizations with over 100 employees are private, thus the data in terms of sectors seems to be representative.

Overall, **the sample can be considered representative** for larger organizations in Switzerland in terms of industries and sectors.

