

Transcript: Building a resilient strategy for the economic slowdown

Jeff Schwartz:

We're really excited about today's program. Let me kick it off. My name is Jeff Schwartz. I'm the vice president of insights and impact at Gloat. I've been here about 13 months, which I was reminded by our CEO, Ben Reuveni is a couple of years in startup years. So it's been a very interesting ride.

I want to thank everybody for joining us today. We have a really amazing webinar and discussion in store for you today, from the Gloat Learn event series. Please take the time now that we have enabled chat and Q&A to drop your questions into the chat function and we will have time at the end of today's session to go into them.

As we're getting started, a quick reminder that previous Gloat Learn and Gloat book club sessions are available on [Gloat.com/resources](https://gloat.com/resources). We've had some amazing book club and Gloat Learn events so please take the time to look them up. We have what we think are really both interesting, but high impact stories from Gloat customers across industries, across Unilever, Schneider Electric, MetLife, MasterCard, we'll be hearing from today and many others. And of course, we've also got some great insights on gloat.com from Josh Bersin and other industry analysts talking about talent marketplaces and workforce intelligence.

What we're going to be talking about today is an extremely timely, and I think provocative question, which is how do we as business and HR and talent leaders build a resilient workforce and a resilient organization and a resilient and agile strategy in a time when we are all thinking about economic headwinds, economic slowdowns, and possible recessions. And we're going to turn to Josh in a second and he'll give us his idea about where we are on that.

We have three amazing speakers to share their insights with us today. We have first ... and I'll give you a second in a minute to introduce yourselves as we're kicking off. Heather Yurko, who is the VP of digital talent at MasterCard. And I love the fact that we have titles now like VPs of digital talent and VPs of digital talent marketplaces because we didn't have them a few years ago. So it's just a sign, Heather and Kathi and Josh, as to what we've seen change in the world in the last few years. We have Kathi Enderes, who's joining us from Spain. We're all very envious, Kathi. Who is the senior vice president of research at The Josh Bersin Company. And we have, I'm going to start by saying a very good friend of mine and colleague and the founder and CEO of The Josh Bersin Company, Josh himself. So welcome to all of you.

Let me start because there's no reason to read resumes and backgrounds. People can get that information from our website and from yours, but I'd like to ask each of you to take a minute or two, just to introduce yourselves and share a little bit about yourselves and your own career journey and how that has prepared you or not for where we are right now, as we're sort of ... I'm going to use the word teetering between 2022 and 2023. So I'm going to start with you Heather, just give a brief introduction, a little bit of your career and sort of how you're leaning into what's coming up at the end of this year and next year.

Heather Yurko:

Yeah. Thanks so much, Jeff. Hi, everyone. My name is Heather Yurko. I am the vice president of digital talent at MasterCard. I would say that my career really sits at the intersection of people, process, data and technology. That is the easiest way to sum up what I've done throughout my career. I would say that having skills that are both people-centric, employee-centric, focused on human needs, and being able to support that with technology has really gotten me to a very, very good point of where we are in the world right now today. It needs to be both. We need to have the technology, the AI-enabled work supporting our processes, supporting our people.

And so, throughout my career, I've worked across multiple industries. I have worked in finance, have worked in tech, arts and entertainment, and now FinTech. I've also worked across multiple different organizations. So within people organizations, enterprise engineering, employee services. So I've had a great opportunity to be able to go really deep in a number of areas. I would consider myself to be T-shaped or pie shaped in that way in

thinking about the experiences that I've had throughout my career. And I've just been surrounded by leaders that have been very trusting and very supportive in letting me go from a place in sales and manufacturing, all the way through to where I am today in leading our organization around digital talent.

Jeff Schwartz:

Great. Thank you so much, Heather. And I'm going to come to you Kathi, in one second, but I just saw that one of our colleagues joined us [Evan 00:09:29], a phone in, hopefully I'm pronouncing Evan's name correctly from Ukraine. I hope that everything is going as well as can be expected with you. Certainly my wishes and prayers are with you and everybody in Ukraine. And we're honored that you have found a way to spend a few minutes with us today. So thank you so much for joining. This is how we roll at Gloat, we're very connected to the world of the people who are here. All right. So Kathi, a little bit about what you're doing, your career journey and sort of how it's positioning you for what the challenges are right in front of us now.

Kathi Enderes:

Yeah. Thank you, Jeff. And the first thing I want to mention is I'm originally from Austria if you're trying to guess the accent, because somebody told me once, I have to tell right away, because otherwise people are just trying to guess the accent, they can't listen to anything else that I'm saying, so that's where I'm from. But grew up there in Austria, close to Vienna. And then I studied actually mathematics so I wanted to do something quite different with my life, I wanted to be in theoretical mathematics. So I have a PhD in mathematics, but then I found out the impact that I could make on real life was really not what I wanted to do. So I have maybe a tagline on my LinkedIn that it says I'm obsessed with making work better. And that's kind of what I've been trying to do with my career.

So I started in management consulting in Austria, then I moved to London, also management consulting. So I've worked with big consulting companies for the first 10 years. And then I went into an organization to make a more direct impact to people's lives and work in large companies. And then I went back into consulting a little bit different consulting where actually you and I met Jeff, at Deloitte when I was doing research on all these topics of talent and workforce and talent management, performance management, and people analytics, all

those kind of things. And a couple of years ago, I was able to join Josh, to study all sorts of organizations on what they're doing to make hopefully work better. So that's what I'm trying to do with my life. And that's what I'm always curious to find out how organizations like MasterCard, for example, make that happen.

Jeff Schwartz:

Fantastic. And Josh, there's so many things you can say about your own background. I mean, if I recall you did also start in a technical field, you started engineering at Cornell.

Josh Bersin:

Yeah.

Jeff Schwartz:

I think we might have been there actually around the same time. I was studying philosophy by the way, so we'll put that to the side for a second while you and Kathi were studying engineering and mathematics. But a little bit about your background, but especially something about your background that sort of helps prepare you and helps prepare us for the discussion we're having today about sort of pivoting in the economy that we're in.

Josh Bersin:

Well, yeah. I mean, just really briefly, I was an engineer and my father was a scientist, so I have the science gene pool. And by the way, interesting thing I found out, Myers Briggs has morphed from INTJ to INFP as a result of being part of HR. If any of you know what that means, but I won't get into that. So I'm sort of an analyst at heart, but I spent 20 years doing sales and marketing and product stuff and then tripped across HR in the early two thousands and got involved in research and worked with Kathi. And Jeff and I spent six and a half years together at Deloitte. My perspective is, ultimately I think I'm a pattern matcher. And so I'm always reading and looking and listening and getting information from companies and the outside world and trying to apply that to what will make companies and organizations work better. And that's, maybe what I was born to do, but I didn't know that until late in my career.

Jeff Schwartz:

Well, Josh, that's amazing. I'm going to kick off with a question for you, but it's interesting as you're describing yourself as a pattern matcher, I think most of us on this call know not only your work as probably the two leading industry analysts in HR today are you and Dave Ulrich. And for those of us who know Dave, he describes himself almost exactly as the same way, which is as a pattern matcher and his first degree, I think his PhD was on ways to categorize information. So I think it's something that you and the great industry analysts share in common is your ability to look across data and to actually help us identify emerging patterns and themes, which is what we're going to talk about right now.

So maybe we can start this way, Josh and help us set the scene for today's discussion on the resilient workforce, a resilient organization in economic headwinds. In one of your recent podcasts and I don't want to say your recent podcast because you're so prolific, which we love, but it was one of the recent podcasts you did. You talked about the potential and the likelihood, I'm not putting words in your mouth for an economic slowdown and you started helping us think about what we should do to prepare. We were talking about this just when we got on the line a few minutes ago. So what are you forecasting? What should we be expecting? And how do we begin preparing? That's a broad question, but I can think of no one better to help set the table on this than you.

Josh Bersin:

Well, I'm honored Jeff that you want my economic forecast. Well, okay. So here's what I see. So Kathi and I have this really unique situation where we're getting signals all over the place all the time from companies, from vendors, from technology providers, from investors and from the outside market. And the signals that I'm picking up are obviously huge stress in the workforce, still a shortage of labor, still a shortage of skills, lots of jobs being created, companies moving into service, businesses more and more and more becoming more dependent on the human capabilities of their organization. And the inflation caused by, many, many years of low interest rates has come to bite us.

I have been an investor most of my career and my wife and I have been astounded at the fact that we had almost zero interest rates for almost 14 years. I mean, that is an accident waiting to happen. We are now experiencing the crash of that experience. Money was poured into the

economy... I was just listening to Sam Zell last night talk about this, poured into the economy by the federal government, low interest rates, people bought stocks, they bought crypto, they bought houses, they bought everything they could find. And we're done with that. That cycle is coming to an end. That doesn't mean that demand is going down. That doesn't mean we're not going to buy stuff. It doesn't mean we're not going to go on vacation. It doesn't mean we're not going to take care of the rest of the things we want to do, but we have to deal with the fact that the interest rates were too low for too long. And that's the pinch.

Now, as I was talking about earlier, I think we're going to talk ourselves into a recession if we keep talking about it, because people like to talk about, oh, things are terrible and we're going to go into a recession and then people will stop buying things. But I don't see any big economic problem other than the fact that we have to adjust ourselves out of this low interest rate environment and end up in what is called a soft landing. And that is what I think will probably happen. I think we will have us slow down, but I don't think we're going to have a big economic crisis. That's my forecast. Jeff, I think you're ... yeah, there you go.

Jeff Schwartz:

Sorry. Yeah, you get a nickel because I was on mute. So I owe hundreds of nickels or thousands of nickels by this point in the pandemic. So let's just push a little bit on, we pulled up something, I know we told you about this chart, we pulled up something you wrote in 2008 and 2009 on the Great Recession. We had a recession of course at the beginning of COVID, which was a particularly unique economic event. And in 2008, 2009 around the Great Recession, you talked about five talent management strategies for a business downturn.

And so the question just to again, to help us really get started and we'll go to Kathi and Heather is what's different about the economic challenges we're facing today. We do have economic headwinds. I agree with you, I think we're hoping for a soft landing, but there are some unique economic challenges now. Should HR and business leaders be looking at the playbook from the great financial recession of 2008, 9, 10, or are there new playbooks and new things that we should think about?

Josh Bersin:

No, I mean, I'll answer quickly and then I want to let the other folks talk. I mean, I think I remember 2008 vividly because it was the first year of our conference and I remember the speech I gave and the story was about doing less with less. It was about cutting, shrinking and not asking people to do more with less, asking them to do less with less because there was a massive, massive financial crisis and companies were just disappearing, including some big banks and some other companies.

The crisis we're in now is a human crisis of individuals at work being burned out, going through mental health issues, working too many hours, dealing with inflation, dealing with political instability. And how do you grow and manage your company when the employees are just a little bit at their wits end and need some support? That's a totally different situation. And I do believe, as I talked about at our conference, that the solution here is to take care of your employees even better than you have in the past and let them help you get through this because I don't think we're in an economic crisis, but that's ... I really want to hear what Kathi and Heather have to say, but that's the way I see it.

Jeff Schwartz:

Yeah. So let me turn Kathi to you and I'm going to turn to you in a moment, Heather. Exactly, let me pick up the theme that Josh has outlined. One of the things that we are seeing or I'm seeing, I think others are probably seeing as well is, there are some headlines, we certainly see it in LinkedIn, we see it in some of the business press about layoff messages in tech companies and in other companies. We've certainly seen, I think it's understating it to say dips in global equity markets, global equity markets are in bear territory. That simply means they're down, I can't remember 10 or 20% from their highs at the beginning of the year. Kathi you're the SVP of research at the Bersin Company, what data are you seeing that sort of helps inform this discussion about what's happening to the workforce, in particular in the economy that we should be thinking about? And then I'm going to then ask you, what should we be doing about it? If those are the signals that we're seeing?

Kathi Enderes:

Yeah. So I agree with Josh, I don't think we see the same pattern that we saw maybe in the 2008 financial crisis, because people were not quitting at all. Right. People were hanging onto their jobs, hoping they wouldn't lose them because a lot of companies would go down. So you wouldn't see like these quit rates that we are still seeing of like, I don't know, four and a half million, 4 million people in the US alone. So the Great Resignation that we've talked about since, I don't know for like the last eight or nine month is not letting up at all. So people are still quitting, they're still saying, well, do I really want to do this with my life? Because they realized in the pandemic, maybe life is short, things are changing really quickly. So that's still happening from the workforce perspective.

And so companies still have to treat their people as well as they can. Employees are still in the driver's seat. And that wasn't the case at all in the 2008 recession. Employees were not in the driver's seat. Employers were in the driver's seat. They could say you're lucky you have a job, do what you need to do, do more with less. And then we said, well, you can't really do more with less. You're got to do less with less if you have less. I don't think we see this trend at all from a workforce perspective, people are stressed out, they're burned out and they are still in the driver's seat. We just studied healthcare, the healthcare industry and we found out that by 2025, the healthcare industry in the US alone will be over 2 million people in the clinical roles short. So, not a workforce recession, I guess.

So the workforce is still going to be very much in control. And you're going to do all you can to design your organization to be irresistible for the employees and design them around the employees, not around your financial cost control, because that's a downward spiral. If you start cutting, then people have less support, your customers get less and then you got to cut more and more and more. So I don't think that's the cycle we're seeing it all. Very different scenario from the perspective of what we are hearing and what we are seeing.

Jeff Schwartz:

So, Kathi, let me ask you a follow on question. And then Heather, I am going to turn right to you on it. So please be ready. Amazingly, the Great Recession or the Great Reshuffle or the Great Reassessment, you decide, we can all decide what we want to call it. The Great Retirement, which has actually already come back. The people who retired actually are back

in the workforce, is actually 15 months old. It celebrated its year anniversary May 1st. It was April of 2021 that we hit that first 4 million voluntary turnover number.

Kathi Enderes:

I stand corrected.

Jeff Schwartz:

No, no, no. The point is it's even longer than we thought that's why [crosstalk 00:24:00]-

Kathi Enderes:

Yeah. Longer than we thought.

Jeff Schwartz:

It's tenacious. It's hanging in there as that ... and even in the last few months, as inflation has obviously gone up and interest rates have definitely gone up, we've seen the persistence of the Great Resignation. I prefer to call it the Great Reassessment or the Great Reshuffle to help us transition to something that's very relevant for us, particularly at Gloat. Where do talent marketplaces fit into this discussion from your perspective, looking at the data and what's happening?

Kathi Enderes:

Yeah. Well, talent marketplaces I think I'll answer two ways. First talent marketplaces have a great way of creating great careers for people and career development and career opportunities and learning opportunities are always amongst the number one reasons why people leave. People don't leave really because they're not paid enough. They usually don't leave because of that. They usually also don't leave because of their manager that's also kind of a little bit of a myth that people leave their manager.

Jeff Schwartz:

I agree with you on that, by the way. Yes.

Kathi Enderes:

We're not seeing that. I always feel like the poor middle managers have to bear all the burden of all the things that go wrong from an organizational level. Like not having something where people can in an agile way, develop their careers, find projects to try something new out. If I'm in HR, maybe I want to try out how it is in marketing. If I'm in marketing, maybe I want to go into sales, right? And usually you've got to quit your job and start a new job if you don't have a talent marketplace that helps you connect with these opportunities. Talent marketplace is a great career development mechanism. So that's one way why this is so key and Heather probably has some great statistics to how it helped the people at MasterCard development, how it helped you retain your people. So that's one way.

The other thing that we also did is a big study on organization design and how organizations can be more agile and every single company that was at this level four maturity where only 10% or 11% of companies were this highest level, we call it agile and accountable, and every single company that we asked about, how do you actually move in this agile way of working? They said, talent marketplace is a key. You cannot do this without the talent marketplace, because how can you quickly assemble and disassemble teams, if you don't know what skills and capabilities people have and what they want to do and have people find these opportunities to work in these projects that pop up everywhere, cross functionally, it's not possible. So it's a really fundamental and necessary mechanism to make organizational agility happen.

Jeff Schwartz:

Yeah, no. So, Heather, we're going to turn to you. Obviously Josh and Kathi have been your straight man and straight women today in terms of keying up sort of what's happening in the economy and the role of organizational agility and the role of talent marketplaces. Really keen to hear from you, your collective experience at MasterCard. During the past year, you've implemented a talent marketplace that we understand has reached much of your global workforce. Tell us a little bit about that journey and how has your organizational strategy and your talent marketplace and your business strategy fit together? Or how has implementing a talent marketplace helped you navigate some of the uncertainty and the economic challenges that you're seeing both in your company and what MasterCard sees, because what you do connects you so integrally to what's going on in the world's economy.

Heather Yurko:

Yeah. Thanks Jeff. It has been a fascinating journey and Kathi I'm with you a thousand percent. What is really interesting in my perspective is that I did this in 2008 and 2009 at Cisco. So we had built our own internal talent marketplace during the first one. And I'm with Josh in that it is vastly vastly different. What we were using them for, what we were doing them for, and what it felt like being inside an enterprise organization that was making tough calls and tough decisions. The first time around, it was very much about, what skills do we have? So it was like knowing who you had and knowing what you needed and identifying that gap really quickly. And then seeing if we were in a situation where layoffs were happening, how do you find those fungible transferable skills, find the adjacencies that you could potentially move people to?

So all of it for us at that point was around, skill identification, talent identification, redeployment, and really trying to retain as much of the talent that we knew we were going to shed as possible and then getting them into either new ways of working new organizations and moving forward that way. This time around it is very, very different. This is much more employee centric, much more employee in the driver's seat. When I think about the origin ... our talent marketplace is called Unlocked. When I think about the origin of Unlocked, this really came out of looking at our customers potential needs during what might have been like a significant economic downturn at the beginning of the pandemic.

And so being able to have our CEO reach out and say to our entire organization, we need to step in and step up for our customers. We have a lot of work that needs to get done, to be able to prepare them, to be able to enable them to weather the pandemic. Who's with me? And seeing these waves of people, put their hands up and say, I'm very interested. I want to do this. This is the passion project. So even during a really rough time for them personally, really wanting to be able to have a sense of giving back, of helping, of enabling our customers. And what we found during that first wave. And this was, 2020 to the beginning of 2021 was that was amazing and wholly unscalable, because we were doing this manual matching on the back end that was just like, there is no way this is going to work. And so that was when we started to have conversations with Gloat and really understanding what's possible.

And because I've seen this done both ways, I've seen it done, twice manually and then once with an AI enabled platform, my goodness, you cannot get that kind of scale without having a platform to enable you. So to have an internal talent marketplace, to be able to help you very clearly listen to your employees, get information that you may not have in your HRMS around their skills and experiences, around things that they want to do, their own career development and their desires.

When you understand that and then put them in the seat of being able to ignite that passion in themselves for what they want to do, you already know what needs to be done because as project owners, you're putting in like, Hey, I'm looking for people with these skills to help me get this work done. By letting the employees choose, it is such a strong engagement and retention tool and it actually helps reduce burnout because people are doing things that they're excited about and things that are enabling their careers, maybe in different ways.

Kathi, to your point around, maybe somebody in HR wants to go in marketing. Unlocked was built on Unlocked. And I'm here to tell you that the project managers that I've brought in to help me build out the platform, they are not from HR, but they're all very HR curious. They're like, I've always been curious about how it works or, what do we do in HR? And I'm like, come on in. You can see how the sausage is made guys. And so people have been really excited about getting to explore different functions, different regions, and making those connections across the company, which ultimately drives that kind of agility that you need to be able to move at the speed of business and the speed of the market today.

Jeff Schwartz:

So let me ask some follow up questions if I might, Heather. Help us think through for a few minutes, you've described the journey, the challenge from the CEO, the setting up of the marketplace, to focus on a project in a gig marketplace, how are you measuring the impact? What is the impact of having stood this up in the last year?

Heather Yurko:

Yeah, it has been really phenomenal Jeff. In the last year ... and again, we really just went ... the first four months were pilot and then an extended pilot. We had to extend the pilot because we had people literally knocking at my door like, can we get into your pilot? The word

was starting to get around. And seriously, I had to cut it off in November. I'm like, guys, we're launching in two months, just keep your shirt on, hold on. It's coming. But yeah, it started to generate a lot of excitement. But when we rolled it out, this was really ... we're six months old, honestly, six months that it has gone out to our full enterprise. And in that period of time, we just celebrated 85% registration. So we have 85% of the company on the platform at this point.

Some of the key things that we are looking at is, one, are you in there, but then two, obviously, are you engaged? So we're looking at the number of hours spent on projects from the time that we had launched until today. Last time I checked, it was 120,000 hours that had been put into projects on this platform. And so the way that we think about that as far as like, our hour ... or if we do like a blended hourly rate of our workers, it's around \$25 million in value that's been generated from all of the people that have been working on projects, have been able to kind of come together and create meaningful work and help not only our company, but also our customers achieve their goals over time.

So we're definitely looking at that as a key performance indicator and a key value metric for us. But we're also looking at things like, number of projects that are posted, percentage of people that are participating in them, all the mentorships that are being created and the connections happening. Because again, that's not just short-term value that's long-term value even beyond these immediate projects that are coming up.

Jeff Schwartz:

So again, [crosstalk 00:34:18]-

Josh Bersin:

Jeff, can I make a comment about something that Heather just said.

Jeff Schwartz:

Yes Josh, go ahead.

Josh Bersin:

I mean, one of the things ... I want to go back just one second, the Cisco versus the MasterCard. So, one of the big questions companies have about these talent marketplaces is do I need to plan the skills and jobs and careers first and then turn it on or can I just turn it on? And what I've found in many, many of the companies we've talked to. And I think you guys are going to say the same thing at MasterCard is that you just need to turn it on, because actually the reason the older projects like the Cisco one and the UnitedHealth Group one and I saw so many of these didn't work is that they were planned, they were top down manager led structural changes.

This is different, this is the marketplace itself fulfilling the demand that it has. And most companies are filled with demand for people who want to do things that they're not doing in their current job. And that unfulfilled demand can be unleashed in the marketplace and you end up getting more productivity. And I think that's the story, and that is not a systems implementation where we plan it all out and kind of figure out what's going to happen. And I think, Heather correct me if I'm wrong. I think that's what you learned having gone through it at Cisco and now here. And that's why this is so transformational to me.

Heather Yurko:

It's the speed Josh, honestly, because if I'm being honest, the one that we did at Cisco actually was tremendously successful, but it was because it really was tops down and we ended up saving, I think around 900 jobs, out of a much larger number that was out for redeployment. But it was very manual and it took a long time and it was a lot of like checking in with the employees to be like, does this seem okay? We have a couple of options. Like, what do you think? Whereas this, to your point, it's so fast, like you just ... because the employees are driving it. So it's a huge difference in that sense that you really can have a much more employee centric way of driving this forward.

And, it's exciting, the conversations that I've had with people and getting feedback and taking testimonials and just listening, Hey, what else do we need to be thinking about? Or what else should we be doing? It's just been phenomenal that people are saying, I've never had anything like this in my career. There was one quote that was literally, it feels like freedom. Like this feels like this whole new way of working.

I've had folks joining straight from university that are like, this is the coolest thing ever. I feel like I can plan out my whole career here and just being very excited about it. And so we're seeing that feedback through all levels of people's careers and in every part of the organization, which that's like, again, that also feels very different as compared to what I've seen before.

Jeff Schwartz:

So it's very powerful. And you've talked about speed, you've talked about impact, the \$25 million in work that's been Unlocked in the last six or 12 months. I think one of the other things that we're talking about Josh, and you've touched on this is talent marketplaces, the way that they're being rolled out today are actually not designed to consume information, they're designed to create information. And I think that's a little bit of the difference. Like a dozen years ago, we had this whole list of prerequisites. Like we need to load in skills and jobs and all sorts of information. And then we could launch it. And I was on a call earlier today and I was talking with some colleagues and it sort of is a little bit more like Waze than a map. I mean, Waze actually ... that app that we use to sort of get from here to there, it actually produces maps as well as giving you directions.

And part of what the power is of talent marketplace is markets produce information and we know that. One other question, Heather, to you, and then I'm going to come back to Josh, you, and then the group will broaden it and then come to some questions. You've touched on questions relating to employee morale. And this has been, I mean, Josh started us by saying, in the research that we do at Gloat and your team, Josh has done much more robust research. A lot of people, whether they like their job or not, people are burned out. Right. But in this environment where morale is so important, just give us a little bit of insight as to what role has the talent marketplace played in morale and in this very turbulent environment we're in? Sort of, how did you roll it out and what have been some of the cultural impacts of this?

Heather Yurko:

Yeah, it's such a great question, Jeff. When we first started to roll it out, as I mentioned a couple minutes ago, it was almost like we couldn't keep it under wraps and we couldn't get it out the door fast enough just from not only the leader demand, but also, employees within

the organization that were really excited to see what it was and see what was possible and to have a way to connect and find people across our organization.

I think like many other organizations, highly functionally siloed, highly regionally siloed. And what this really has done is provided us a way to have that connectivity. Which, during a pandemic, when it's hard, that you're not physically connecting with people, the ability to find people and connect with them easily and have some of those water cooler conversations, or just bump into folks, get to know them in a way, that in and of itself was absolutely priceless.

But beyond that, what we're seeing is that this is something that people are now starting to understand where we're going with this, which was, when we enabled career paths, it's not just about where am I today and how do I develop myself today for the role that I'm in or for the skills that I have, how do I connect with other people? People are now starting to see possibilities. And so when career paths was put out for people to start looking at what are potential next steps for me, or where do I want to go in my career? If I have an idea, where could I get to and what would it take to get there?

The second piece of it is if I don't know, which for so many people in the pandemic, it's like, I don't think I like what I'm doing now, but I don't know what else it is. And so for a lot of folks like that, or a lot of folks that are earlier in career, or maybe mid-career considering that shift and giving them the power to go explore it and to understand really what are those next steps that they have to take is very powerful. And it makes people feel like they're back in control.

Having that control and being in the driver's seat, I think is a huge part of the engagement that we're seeing. And we're starting to see like, Hey, as we start going out and recruiting folks using the story of our talent marketplace as a way to bring people in for longer term than just, Hey, it's just a job. It's like, you can really build a career here. Telling that story has become very meaningful for people.

Jeff Schwartz:

So I'm going to come back... Thank you, Heather. I'm going to go back to Josh and we're going to try to pivot a little bit so we can open it to the three of you and then come to some questions. I'm still stuck on the quote you mentioned a few minutes ago, which is that one of

your associates at MasterCard said that Unlocked is freedom. And, I mean, you can't make it up Heather. Right? Right. So we talk about the editing workforce and you talk about Unlocked, but your associates are talking about freedom and just a whole different degree of possibility, which is obviously very relevant for the brand and the positioning you have, but your employees are actually seeing that and feeling that.

Josh, just to come back to where we started in today's discussion, you've talked again in one of your recent podcasts about the relevance and the importance of companies during times of disruption. And, as the author of *Work Disrupted*, I like to talk about times of disruption, that it's relevant for companies to be focusing on and getting back to their core and really thinking about their core and how it's going to help them move through transformation and crisis. Can you talk a little bit about what that means and how do we as business and HR leaders sort of bring the theme of going back to the core into sort of workforce and organizational strategies?

Josh Bersin:

Sure. Well, I mean, one thing about this whole idea of freedom, I think it's great to unleash or unlock this pent up demand for mobility and creativity, but you have to manage it. You don't want a company where everybody does whatever they want all day and these strategic things that nobody likes to do get ignored. So, underneath the talent marketplace is a lot of data about where the company really wants to go and where the people want to go and matching that stuff up. And so getting back to core, what I've found over the years meeting so many companies in so many different industries is most companies are good at one thing. I mean, they're usually good at this one thing that oftentimes was their founding idea.

And they distribute themselves into new things because they want to grow. And then they kind of lose track of what their core is and they start losing money and then they go back to the core.

So, I think right now, when we have this problem with the economy and uncertainty about so many things going on in the job market, I do think most companies should just take a good look and say, what are we all about and why are we here? And let's get focused on that. And I think relative to talent marketplace, as much as I love the idea of freedom and all that, we do want people to go into a determined direction of where we're trying to go. So I'm sure at

MasterCard, you guys communicate what business we're in and where we're trying to go and we want you guys to help us with these strategic initiatives.

So don't forget that, that's important too, not just taking care of employees and making them happy, but making sure the company is very clear on what problems we're trying to solve and why we exist. So I don't know Jeff, if that's what you're asking.

Jeff Schwartz:

No, no, I think it helps open our discussion. So I mean, Heather, you're in the middle of this. I really like the ideas that we're combining in the discussion, which is we're creating possibility, people do feel freedom in Unlocked, but as Josh has pointed out, I think this is part of what I'm hearing Josh, that needs to be done in the context of the direction and the work that needs to be done.

And as I hear the story that started with your CEO during COVID and the evolution of your talent marketplace and Unlocked, that's precisely what you did, which is, this is what we need to do as a business. If I recall and you said it a few minutes ago, these are the new challenges that we have at MasterCard to help our clients with their new challenges. How do we match your interests and skills and capabilities with the work that needs to be done?

So if I understand what you're doing, Heather, it's in the context of here's the direction, here's the work that needs to be done. How can you help us do it? But I'd love to get some of your comments on that question, because I think it's very relevant.

Heather Yurko:

Now, it's incredibly relevant and yes, Josh, to your point, the entire talent marketplace is set up in a way that project owners are setting up projects that are very relevant to our business objectives. And so if you are in there searching or looking for what the next opportunity is for yourself as an employee, every project that's set up is set up in a space where there's a flag on it that says here's the business objective or the business outcome that this project is helping to move you towards. So again, it comes directly into the work that you're doing, how you're contributing to MasterCard, our employees and our overall objectives and strategies holistically.

And then as a people leader or as a project owner, I can go in and I can find that talent. So if there is an urgent business need that's coming up, it works both ways, right? As an employee, I can find things, but as somebody who's owning a project or owning a strategy, I can go in and find those people. And so it's a critical thing to be able to find the talent that you need as quickly as possible to assemble that team. Because oftentimes those big strategies, it's not just with people within your organization that are going to be able to contribute or have the skills and expertise needed to pull those off.

Jeff Schwartz:

And what I'm going to do now is I'm going to ask each of you to make sort of one final recommendation, if I can put it that way to the listeners of our Gloat Learn event today. And then I'm going to turn in a bit of a rapid fire fashion to some of the great questions that we have. And I'll go through them. I'll probably present two at a time and then ask you to respond to them. But if I can ask each of you, Kathi, starting with you and then Heather, and then Josh, if there's one recommendation or theme or question that you would suggest that the executives who are joining us today, be thinking about, as they're thinking about economic uncertainty, as we're trying not to talk ourselves into a recession, Josh, as you mentioned, but this is the environment we're in. What would you ask us to keep top of mind about that?

And we've had a wonderful discussion about speed, about Unlocked and possibility. I think we've heard the theme very clearly that when you're doing something like a talent marketplace or like these types of agility focused solutions that getting started and trying to limit the prerequisites is relevant. But if you were to give us sort of one theme or question or recommendation, what would it be? Again, we'll go to you Kathi, then Heather, and then we'll ask you to summarize Josh.

Kathi Enderes:

Well yeah. So I can kick it off. I think it's very easy when times get tough and when times get a little bit more challenging as a business leader to revert to the things that we have already done. Don't do that. Don't go back to the 2008 way of like top down, redesigning, reimagining, redoing everything, but empower your employees. And the talent marketplace is a great way to actually put the power of what you want to do and where you want to take the company

into your employees hands. Of course, directed by the company as both Heather and Josh pointed out. So empowering your employees, not reverting back to what used to work, but what you can do with these new tools, new information and new insights that you have. So that would be my one call out.

Jeff Schwartz:

Thank you, Kathi. Heather, what's your top question or call out for our participants today on Gloat Learn?

Heather Yurko:

Yeah, I would say just to build on what Kathi has mentioned, as you're moving towards where you need to go during this time, knowing those objectives, your employees are your gold mine. And so knowing the skills you have, the people you have and what you need, and being able to move your gold mine in the direction you need to move them, it cannot be done at scale without having a platform like this to help assist. So I would say, just keep those things in mind that you already have a lot of what you need to get the business outcomes that you're looking for, in an economic downturn or not. And so take advantage of that.

Jeff Schwartz:

I love that. You're so quotable Heather and Kathi and Josh more than any of us, but your employees are your gold mines so find a way mine them and use the talent marketplace to do it. I think our Gloat marketing team is going to pick all this up. But Josh, again, we're not done, we're going to go through some rapid fire questions, but we started with you and I can't think of nobody better to sort of help us summarize this because people listen to you, you have tremendous sway [crosstalk 00:50:50]-

Josh Bersin:

I know, that's why I try not to talk too much.



Jeff Schwartz:

You're not doing a good job of that by the way, because you're [crosstalk 00:50:57]. So what's your top thought?

Josh Bersin:

I have one thought to sort of tie it together you guys. I think a lot of what makes this work is trusting in human nature, trusting in the passions and perspectives and good intentions of your people. And that is what the talent marketplace does, is it unleashes all of these desires of individuals, both the people running projects and the people looking for things to do. And if you trust that, then you'll be surprised how well it works. That's why almost every talent marketplace I talk to is successful because there's so much demand. The challenge to me is managing it. And Heather, if you talk to Gene at Schneider, two or three years into this, you're now running like Airbnb. Airbnb doesn't run itself, there are places in this system where they have to help the marketplace fix itself. So it isn't completely self-managing, but it's a really, incredibly empowering thing. And I think it's a massively transformational change in the way businesses operate. So that's my perspective, both or Jeff.

Jeff Schwartz:

Fantastic. The three of you have been both generous and insightful, which we all appreciate. I'm going to ask some rapid fire questions. Something I learned from listening to different podcasts is I'm going to give you a couple of questions at a time and then I'm going to let you decide which of you can comment on it. Don't feel compelled to answer every question but if you think you're the right person to take point on it. So first two questions to get started. One is, can a talent marketplace work in a smaller organization? Is there a minimum efficient scale to this? So based on your experiences or even your thoughts, could this work in a group or division with a hundred people or 500 or a thousand people, or does it need to be 10,000? So that's question one.

Question two is how have you addressed the question ... and I think Heather, this probably comes to you first of skills validation and skills assessment and endorsements. How have you dealt with that? How important it is. So again, two different questions. Heather, let me go to you first, because I think having implemented this, you may have some observations on them.

And again, also from an organization perspective, Kathi and Josh, your perspectives on the scale question.

Heather Yurko:

And I would say on the scale one, just it depends what you're trying to do, but I know Kathi and Josh are going to go deep in that. Yeah. Sum up the second one for me again, because my brain just went off.

Jeff Schwartz:

Sorry. So the first question was minimum [crosstalk 00:53:44]-

Heather Yurko:

The second one.

Jeff Schwartz:

The second is how have you addressed skills validation and assessment and endorsement?

Heather Yurko:

Yeah. So we haven't, I just want to be perfectly clear. That's not something that we're doing in the first rev, as far as saying like, Hey, are the skills that you're putting in, are they, for real, for real? This is something that I know we haven't staged right now for a self assessment and a manager assessment around skills and so that's coming.

There's also additional conversations we've had on potential API integrations on additional external assessments that we may be considering. But for now to Josh's point, we're trusting the people to say like, Hey, I know what I have, I know what I need. Here's how I rate myself on it. And that additional validation from a manager perspective.

Jeff Schwartz:

Any observations Josh or Kathi on the scale question or is the jury out on that?

Josh Bersin:

Well, I think with a hundred people, there are still situations where you need somebody to help you with the project and you're not sure who that person is. And most companies with a hundred people don't have meetings with all a hundred people online saying, Hey, who wants to volunteer? So you need some way of doing that. So I don't know, if you guys want to price quote for a hundred user deals, you probably could add value there. It's up to you guys if you want to sell that.

Kathi Enderes:

Even a group of 20 or 30 people you probably don't know every person and all their background. I mean, you learn something new every time you hear somebody talk, right. Because you only know them for the job they do right now, usually. Right. But usually people have so many different careers like I learnt that Heather was not in HR before. Right. I wouldn't probably have known that if she hadn't told me that. I would've thought maybe she's a career HR person that always worked in HR. So even in small groups, it's going to be helpful to have this or what somebody wants to do. You won't know this, unless you have a mechanism to ask people, what are you passionate about? So I think it could work for a hundred people too.

Jeff Schwartz:

Well, it not only can work, I'll tell very quickly our own story at Gloat, we have our own version of the platform. We call it WeGloat. We're a few hundred person organization. And we have this wonderful story as we've been creating videos for our website, which every organization does. At one point, our marketing team was looking for somebody to do voiceovers because apparently that makes a big difference in a really good video and it does. And we were looking to hire external voiceover specialists and someone said, why don't we put it on WeGloat? And we found a couple people in Gloat who were in the engineering team and one of their side gigs is they've got the kind of voices that do ... and they've done radio and television voiceovers. So this goes to your point, Kathi, I mean, once you have a few dozen or a few hundred people in the organization, there's some dynamics there that we can unleash.

Let me go into a couple of other questions. And I think these are related. One is ... the way the question was phrased is, I can see how talent marketplace fulfills a need of so many people, but was there any resistance from any parts of the business and how did you manage that resistance? I see you smiling, Heather, I guess I'm coming to you. And then the related question is, so what are the basic steps to get started and just turn it on. So let's start because I think it's a very interesting question. Like what kind of resistance did you get? Was it from managers? Was it from employees? How did you deal with that? And sort of what are a couple of the key steps to get started Heather and your smile compels me to come to you first.

Heather Yurko:

Yeah. Yeah. The first question. I mean, I'm laughing about it because when I was interviewing for this role with Lucrecia and she's telling me about the talent marketplace and how's it going, I was like, how's engineering doing with this? And she's like, oh they're great. I'm like, wait, because again, not my first rodeo. And yeah, where it becomes difficult, I wouldn't say that there's resistance, but where it becomes difficult is in any organizations that are billable hours or sometimes engineering organizations where you are very clear, especially if you're developing an agile where you have burn down rates and capacity that you're tracking. This is one thing where there were a lot of questions. So I would say the resistance came through, give me more data. That's what it felt like from leaders that they're like, I get the idea, but I don't understand how to do this because my team's at capacity.

And so a lot of the conversations that we had for the billable hours, folks, we just said, make this a learning billable hour. So if you're on projects, doing mentoring, any of the work that you're doing through your ITM became a learning billable hour and that's how they're tracking it and that's how they've managed it. Within the engineering side, it's become part of capacity. So if you take it all the way down to the most tactical level within a scrum team, if you have a scrum of seven, maybe you say across the year, each quarter there's going to be like X number of people that are going to be able to rotate into an ITM opportunity, right?

So maybe it's like you have two people in your scrum that are going to take on a project and you build that two hours of capacity or however many hours you need into their capacity for

the week or for that scrum. And so that was how we addressed it and have been trying to work with teams to do that.

But for anybody that's bringing resistance, I would just say meet them where they are. Ask them, what are the concerns that you have around being able to enable this? And oftentimes it is something that can be worked through in some way.

Jeff Schwartz:

And have you found ... and I'm a little wary to ask a question I don't know the answer to, but as you were setting it up and based on your experience, both at Cisco and over the last decade and now at MasterCard talking with other companies that have been on the journey, how helpful was that to you and Lucrecia and your leadership team as you've been sort of embarking on this journey?

Heather Yurko:

Sorry, which part of it has been helpful Jeff?

Jeff Schwartz:

Leveraging people outside of MasterCard who have been on the journey before you?

Heather Yurko:

Oh my gosh. Incredibly helpful. Yeah. I mean, because nobody wants to take that journey alone, right. Because it feels scary, it feels like this massive lift. I have a tag on my key chain that says it always feels impossible until it's done. And I mean, it's so true. Like I would look at that thing every day, this feels impossible, but you just put one foot in front of the other. Having a peer group to be able to go to and speak with about the journeys and what this feels like and what they've been through has been priceless. To be able to have somebody to call and lean on, like Jean is definitely on my speed dial. I've talked to her a couple times about some different things. And yeah, it's great to have a peer group to lean into for this.

Jeff Schwartz:

And maybe Kathi and Josh, we can end on this question. I mean, you've done amazing research starting with, I think it was a resilient organization research, the great reset research you did as we were coming into or all getting swallowed by the COVID era. So this question of sort of managing change in the environment we're in has been so front and center, it's an unfair question, but I'll ask you to end on it and help us think about it.

Again, top recommendations for how do you deal with the resistance and the overwhelming feelings that both leaders and employees have given what's going on now? Because also, that may be an interesting lesson to end on, as we're thinking about going into whatever the next half of 2022 and 2023 is going to bring. So, how do you manage the kind of change that we're going through and what would you advise business and HR leaders to keep top of mind and we'll end on that. Kathi, you want to start and then we'll go to Josh for the last time.

Kathi Enderes:

Sure, sure. Yeah. Well, everybody who knows me knows I'm a very optimistic person so I always see the positive side of things. So I see the incredible opportunity that's ahead of us to transform the business and help employees transform their careers and talent marketplaces are one mechanism to actually do that. I'm always laughing about the resistance question because we've talked with so many people that have used talent marketplaces about ... and we always ask them, do you have to sell it to the employees? And everybody said, absolutely not. You can't keep them out. If you want to start with a pilot, they hear about the pilot. They say, when is it coming to me? So I think you don't have to sell people on something that's positive for them and that helps them develop. So I would be concerned about that at all.

Jeff Schwartz:

Josh.

Josh Bersin:

Yeah. Real quick, two things on resilience that came out of the research we did, Kathi actually led this. One was you have to take care of people so they feel safe and comfortable making

changes. Some people are afraid to make changes and they're nervous about the implications of taking on a responsibility that they might fail at when they're already comfortable in the job they're in. So you have to make people safe and take care of them.

And the second is you have to facilitate mobility and tell stories about how great it is that this person went from here to there and this person chipped in and did this so that people feel that this is an acceptable thing to do. And then that actually makes the company more resilient. And actually we found that in the early stages of the pandemic, when we looked at the companies that were responding to the pandemic, they were doing those two things very, very well. So those are good lessons that the talent marketplace reinforces.

Jeff Schwartz:

Josh, Heather, Kathi, thank you so much. This has been a conversation to remember, I'm hoping and I'm sure many people will bookmark it. We will post it quite soon on the Gloat Learn website. There are also all sorts of other resources in terms of customer stories and links to Josh's discussions and others that you can access there. I can't thank you enough. I can't thank the couple hundred people who joined us from around the world. I guess my closing comment, reflecting on our discussion is this, we are living in uncertain times, we are living in times... I'm inspired Josh by the work you and Kathi and Heather are doing to think that what we thought was a time of resistance in many ways is a time of reimagination. That's really where we are as an industry, as both business and HR leaders.

And one of the phrases that I think captures some of our observations and my thinking right now is that if you're in a time that requires game-changing, that you need to make game changing moves. And I think what we tried to explore today is in uncertain times, there are some game changing moves, talent marketplaces, [inaudible 01:04:35] or one, there are others, and it's a very opportune time to think about it. Thanks everybody for joining. Heather, Kathi, Josh, thank you. Everyone, have a great weekend. Signing off.

Kathi Enderes:

Thank you.

Josh Bersin:

Thank you, Jeff. Bye everybody.

