WorldatWork with partners: E-reward (UK) and South African Reward Association (SARA)

WorldatWork 2012 Total Rewards Professionals’ Census

What Differentiates Top Performers
What Differentiates Top Performers Among Total Rewards Professionals:
Findings From WorldatWork 2012 Total Rewards Professionals’ Career Census

| Finding 1 | Input from thousands of respondents worldwide reveals eight key differentiators of top performers in the total rewards professions. |
| Finding 2 | Top performers are not just great at what they do, but also more cognizant of “the why” of their work. Context is king. |
| Finding 3 | Connecting to and understanding the business is important for all, but 1) it’s easier said than done, and 2) the imperative for this understanding grows with the level of responsibility. |
| Finding 4 | In describing how they develop business acumen, High Flyers are about twice as likely to mention externally focused factors, such as industry, competitors and key trends. |
| Finding 5 | The ability to think strategically tops the list of future skill development priorities for total rewards professionals. Communication was often ignored as a development priority. |
| Finding 6 | The future for more than half of high flyers may be in a different organization. |
| Finding 7 | The future of the total rewards practice will be marked by four key trends: 1) Ensuring that total rewards enhances the engagement of employees 2) Increased focus on the HR impact and the analytics of how programs affect business results 3) Ensuring total rewards is communicated clearly and effectively to staff 4) The need to provide increasing input to business strategy and the organization achieving business success. |

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Note: ‘High flyers’ are the top 10% of participants in terms of the pace of promotions, controlling for level, organization size and other factors.

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About WorldatWork®
The Total Rewards Association
WorldatWork (www.worldatwork.org) is a not-for-profit organization providing education, conferences and research focused on global human resources issues including compensation, benefits, work-life and integrated total rewards to attract, motivate and retain a talented workforce. Founded in 1955, WorldatWork has nearly 30,000 members in more than 100 countries. Its affiliate organization, WorldatWork Society of Certified Professionals®, is the certifying body for the prestigious Certified Compensation Professional® (CCP®), Certified Benefits Professional® (CBP), Global Remuneration Professional (GRP®), Work-Life Certified Professional™ (WLCP®), Certified Sales Compensation Professional™ (CSCP™), and Certified Executive Compensation Professional™ (CECP™). WorldatWork has offices in Scottsdale, Arizona, and Washington, D.C.
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E-reward brings all the latest thinking in the UK reward management scene to reward professionals through its web site, e-newsletters, reports, conferences and courses. Visit www.e-reward.co.uk.

The South African Reward Association (SARA) is a non-profit organisation aimed at promoting the reward profession in South Africa by creating knowledge building, sharing and networking opportunities for its members and those operating in our industry. Visit www.sara.co.za.
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HR and total rewards professionals think often and deeply about careers. They spend considerable time on things such as job descriptions, career paths, developmental assignments and even geographic mobility of employees. Further, career development is frequently a central feature in either the total rewards or employee value proposition concept promoted by many employers.¹

But there seems ample anecdotal evidence that many HR and rewards professionals spend far less time reflecting on their own careers. Despite all of the time, attention and effort they spend developing the careers of employees at their respective companies, many HR professionals are quick to express concerns about the development gaps of their own colleagues and subordinates, and lament the apparent depth of talent among prospective hires.

This research collects facts and perceptions from a broad swath of current practitioners in order to paint a more cohesive picture about the career development for HR and total rewards professionals. The results do not imply that there is one best path to career development among total rewards professionals. Nonetheless, this report documents relatively broad agreement on the key differentiators of top performers in the fields of practice that make up what WorldatWork refers to as total rewards.²

Why a ‘Top Performers’ Assessment Now?

A cursory reading of recent trade press might lead one to the conclusion that technical skills are “the old thing,” and that perhaps some new paradigm is in order. The fact is, however, that the depth and variety of technical skills required for professionals in the total rewards fields are ever-increasing.

Because of the variety and depth of skills necessary today, it would be nearly impossible to grant technical skills a comprehensive hearing in a broad overview survey such as this. Instead, the inquiry focuses directly on the matter of differentiation of top performers, which highlights the idea that many suspect already: that gaining and maintaining technical skills is important, but not necessarily sufficient as an enabler for success. The key differentiators of the high performers that are identified in this study are far more often related to technical skills in the “yes and…” variety, rather than the “sure but…” variety — meaning, they have skills beyond the technical.

What This Report Is Not

Keep in mind that the information contained in this census report is not a substitute for a career path or competency model developed in one’s current organization, nor what any individual manager might consider most important. However, as Figure 1 on page 3 indicates, most respondents have worked in total rewards for multiple employers in their career. The bottom line is that the findings here can be used to enhance one’s career in total rewards in many different organizations and contexts. And, the further one progresses upward in level of responsibility, the more likely it is that his/her career will intersect with multiple employers. But even those who may think they are in their last job should realize that what matters most at work today is likely to evolve — and do so across multiple dimensions, as described in the chapters that follow.

Some of the key findings may strike those with significant experience in the total rewards professions as long-recognized. The introductory portions of Chapter 1: Wanted - Total Rewards Superstar and Chapter 2: Connecting to the Business, however, support the idea that many of these concepts are of growing prominence. Even if some of the findings here seem

¹ Some employee surveys have even suggested that career development opportunities might be more important than pay. This idea, however, often has an important limitation of its own: the expectation among survey respondents that career development would generate or include higher pay. The idea that it is more important than pay may reflect respondents trying to “have it all.” This concept is evident in some responses to this research as well, such as in the skills-development priorities discussed in Key Trends and Focus on the Future.

² See the Technical Appendix, www.worldatwork.org/TRSuperstar, for the mix of functional responsibilities of respondents in HR and total rewards specialties. Two thirds of respondents indicated three or more functional areas of responsibility (including HR).
to have timeless appeal, it is easy to under-appreciate the value of a study like this to future professionals, or others for whom these ideas resonate.

Finally, some total rewards practitioners who do not work in large multinational organizations might be skeptical of the applicability of these findings to their situation and organization. In fact, the breadth of this research shows that what practitioners in organizations of all shapes and sizes see as the key differentiators of top performers in total rewards are more similar than different.

The Power of this Project, its Methodology and Terms

WorldatWork is a nearly 60-year old global, nonprofit association for professionals in the total rewards fields. It is the professional gathering place for compensation, benefits and other total rewards professionals including an active membership of more than 20,000 professionals located in more than 140 countries. An important part of WorldatWork’s nonprofit mission is to enable total rewards professionals in their career development. Further, by virtue of WorldatWork’s legacy and size of membership, the organization is in a unique position to conduct a census such as this. WorldatWork partnered with two other prominent employee reward organizations, E-reward in the United Kingdom and the South African Total Reward Association (SARA), on this project in order to strengthen the input from a variety of regions around the world.

This census also benefits by, and is further validated by, four key factors:

1. **Breadth of coverage.** It is obviously difficult to fully understand the thoughts of individual employees, supervisors and executives, not to mention the dynamics of specific job situations. However, the more than 2,000 respondents to the census from more than 1,000 different organizations offer unprecedented insight about the careers of total rewards professionals around the world.

2. **Practitioner and consultant career perspectives are incorporated.** One of the assumptions going into this project was that there is frequently mobility between consulting and practitioner roles. Although the work emphasis of a consultant and a practitioner are obviously different, the results indicate there are substantive pieces of their respective jobs that can be similar. If this wasn’t true, the movement of individuals between consulting and practicing would be neither easy nor common.

3. **A “view from the top” of the performance scale.** WorldatWork members tend to be top performers in the total rewards or HR functions in their organizations. Therefore, results from this study represent a high bar for comparison — the attitudinal perspectives of performance “stars” — across organizations.

4. **Multiple perspectives on what sets top performers apart.** The design of this research included several methodological approaches that allow for unique comparisons of and perspectives from top performers. While there will be limitations to any assessment of what sets top performers apart, these varied methodological approaches have produced a more useful and complete view of related insights than any could achieve alone.

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3. Although the census undoubtedly received responses from people who have worked in both consulting and the practice, the questionnaire deliberately separated current practitioners from consultants. Some questions designed specifically for practitioners were not offered to respondents who indicated they are currently consultants.

4. See monadic design discussion, definition of High Flyers, and methodological limitations discussions in the Technical Appendix at www.worldatwork.org/TRSuperstar.
Who Were the Census Respondents and how was it Conducted?

Figure 2 provides a quick overview of the self-reported experience level of respondents. Detailed cross-tabulations by age, organization size groupings, as well as overall, are provided in the Data Appendix. (Data and Technical appendices are available at www.worldatwork.org/TRSuperstar.)

This research was designed to understand key differentiators that distinguish top performers in the total rewards professions. The lists and conclusions presented in this census report were formulated through a text analysis of verbatim, open-ended comments. Respondents provided these comments in an electronically administered survey.

What is of particular importance concerning this list is that it is made up of the factors broadly considered by practitioners as indicative of high performers in total rewards roles, and it is more or less in their own words.5 This is not to imply that the key differentiators identified in this census are unique to total rewards roles. In fact, many of the concepts described here are related to workplace performance in the psychology and industrial-organizational psychology literature. There may be some nuance or particularly relevant context in this report. But generally speaking, it is a good sign that the results mentioned here are recognizable as differentiators of high performers in all sorts of jobs — not just those in total rewards.

Key Terms and Conventions

Finally, before diving into the findings, some definitions should be established to level-set readers.

The term “High Flyers” refers specifically to a statistically derived subset of respondents with faster career progression, when controlling for a variety of factors including company size, level and organizational financial performance. (See Technical Appendix for more information.)

The phrase “top performers” was used in numerous questions in the census, generally asking respondents to refer to comparisons with average performers in either: “jobs like yours” or “entry level total rewards roles.” Where findings indicate level, these findings represent the level referred to in the question, which is either the respondent’s self-classification of his/her own level of responsibility, or the findings are reporting information about entry level total rewards roles.

5 For example, “connect with the business” might be perceived as rude, oversimplified or judgmental. But, because the sentiment was so pervasive among respondent comments, it is difficult to ignore or even discount.
Respondents classified themselves into levels of responsibility as follows:

- **Executive/officer/top-level**: Along with other senior management, establishes organizational philosophy, vision and overall strategic business objectives. (Example: executive/senior vice president)
- **Senior-level**: Maintains overall responsibility for plan design, development and negotiation; expected to execute strategies determined by the executive/top level. (Examples: senior director/director, assistant director, senior manager)
- **Mid-level**: Analyzes, implements, administers and audits tactical programs in alignment with established strategic plans. (Examples: manager, senior analyst, specialist, internal consultant)
- **Emerging-level**: Assists in analyzing, coordinating, administering and maintaining tactical programs. (Examples: analyst, representative, coordinator and administrator).

Finally, verbatim quotes from respondents are represented in quotes. They have been edited only for spelling, grammar and punctuation, but essentially are the original comments as provided.
Are you a strategic thinker who understands the business like a general manager? Are you someone who seeks out the most important problems of the day and exceeds expectations regarding time, cost and quality while solving them? Have you mastered the technical aspects of total rewards and exhibited political savvy and influence, while building networks and relationships across the organization? Can you engage in data-driven storytelling that is meaningful to audiences of various backgrounds?

Are you a demonstrated lifetime learner who revels in trying new things and expanding your skills beyond just the job description? Are you analytical, detail-oriented as well as adaptable and flexible? Someone who sets lofty goals and exceeds them, and by doing so attracts the positive attention of senior management and the support of mentors in your work and career?

Does such a person exist? Perhaps. Are there many? Probably not. Most of us could certainly take steps to more closely resemble this superstar, especially within the context of the categories as described in the latter part of this chapter. The following quote from one respondent neatly sums up the differences between superstars and average workers: “Top performers add value; average performers execute duties.”

The above composite of a “total rewards superstar” comes from reviewing more than 1,300 open-ended comments to the following three survey questions:

1. What one piece of advice would you give someone who aspired to move into a position like your current one?
2. What do you think is the biggest difference between top performers and average performers in jobs like yours?
3. What do you think is the biggest difference between top performers and average performers in entry level total rewards roles today?

One important result of this research is the following set of key differentiators of top performers working in the total rewards fields. How individuals are viewed with respect to these criteria reflects their professional brand. In the interest of attempting to overcome some subjectivity and the allure of judging too much on outcomes versus approach and process, the next section delves deeper into the categorization of these open comments and how this framework can help individuals take an introspective look at their own careers.

Before delving into the eight differentiators, however, it should be said that there is no one best way to examine the issue of high performance. All approaches have their own strengths and weaknesses. Hopefully, the multifaceted

**Finding 1:**

Input from thousands of respondents worldwide reveal eight key differentiators of top performers in the total rewards professions.

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6 One “known” about employee goal setting is that working toward specific and measurable goals delivers better performance than simply encouraging employees to try their best (Locke, et al. July 1981). However, “the how” with regard to goal achievement needs to be considered as well. Culture-appropriate behaviors, such as showing interest or concern in how one’s work is conducted, are important. Judging results based on the actual outcome instead of the expected outcome discounts the important role of good judgment and calculated risks.
approach used in this research has identified and examined key ideas for practical application.

Figure 3 might bring some key questions immediately to mind, which are examined in this chapter, such as:
- What exactly is the meaning of each differentiator, and how does each differ from the others?
- What are the implications of the order in which these have been presented?
- How might I best apply these to my unique set of circumstances?

The 30,000 Foot View of the Differentiators

Statements from survey respondents reflecting the general theme of Strategic Business Understanding were most commonly mentioned. In addition, it was frequently noted as the culmination of applying many, most or all of the other characteristics in combination. Or, as one senior practitioner put it, “knowing what to do and convincing everyone to do it,” is the essence of being impactful in the organization. As discussed in Chapter 2: Connecting to the Business, understanding the business today may be more complicated and fast-changing than it has ever been.

While not everyone can be great (if all are achieving greatness, it simply becomes the new average), virtually everyone could be better. What matters most in any particular organization likely depends on dimensions such as:

- Business strategy, key external influences or pace of change
- Organization culture
- The centralization or decentralization of human resources

Figure 3

Key differentiators of top performers in the total rewards professions

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This statement can be controversial. An objective performance standard is also a reasonable and not uncommon worldview. The assertion here is that “top” performer is, by the nature of the way it was asked, a relative comparison, in addition to likely encompassing some absolute performance standard.

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Figure 4

At a glance – a representative quote from each differentiators category*

<table>
<thead>
<tr>
<th>A Representative Quote…</th>
<th>Overall N</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic Business Understanding</strong></td>
<td>418</td>
</tr>
<tr>
<td>“Top performers have an overall understanding of how a business works from reading the financials to understanding how top reward programs impact the bottom line.”</td>
<td></td>
</tr>
<tr>
<td><strong>Passion &amp; Proactivity</strong></td>
<td>331</td>
</tr>
<tr>
<td>“Top performers generally have positive attitude, are self-starters with healthy impatience to deliver.”</td>
<td></td>
</tr>
<tr>
<td><strong>Technical Mastery</strong></td>
<td>263</td>
</tr>
<tr>
<td>“The ability to provide not only what is asked for, but what they actually need.”</td>
<td></td>
</tr>
<tr>
<td><strong>Communication &amp; Connection</strong></td>
<td>242</td>
</tr>
<tr>
<td>“Top performers interact well with the business and provide consistently good analysis and reports to management. Top performers become ‘go-to’ people.”</td>
<td></td>
</tr>
<tr>
<td><strong>Continuous Learning</strong></td>
<td>226</td>
</tr>
<tr>
<td>“Those with the initiative to learn will be successful. If the willingness and capability is there, you can teach the mechanics of anything.”</td>
<td></td>
</tr>
<tr>
<td><strong>Analytical Skills &amp; Attention to Detail</strong></td>
<td>169</td>
</tr>
<tr>
<td>“Work the extra mile - anticipate the exec questions - be prepared with knowledge, facts and analysis. Do not make errors.”</td>
<td></td>
</tr>
<tr>
<td><strong>Adaptability &amp; Flexibility</strong></td>
<td>79</td>
</tr>
<tr>
<td>“Passion, engagement in the person’s own career, love of what they do, energy, drive, desire to do more/go beyond the acceptable without being told, ability to adapt, ability to take negative feedback and make it a positive experience for the future.”</td>
<td></td>
</tr>
<tr>
<td><strong>Development Support System</strong></td>
<td>78</td>
</tr>
<tr>
<td>“Much knowledge can be gained from tapping into professional networks or taking advantage of mentor relationships. Strong analytical skills are essential to success.”</td>
<td></td>
</tr>
</tbody>
</table>

*From the examples in Figure 4, it should be apparent that many quotes could apply to multiple categories. More details concerning the coding approach and how and why overlap of these categories is healthy rather than troublesome are contained in the Technical Appendix at www.worldatwork.org/TRSuperstar. Also, it is worthwhile to note some categories are easy to extract from open-ended respondent comments, and some are more difficult. One example would be comments reflecting the concept of acting with integrity. Although it was fairly seldom directly stated, the ability to conduct adequate Communication & Connection is almost certainly impacted by one’s credibility. Another example would be the notion of a solutions orientation. It was uncommon as a direct statement, but substantial themes within Strategic Business Understanding and Passion & Proactivity clearly have to do with solving the most important problems of the day and delivering the right solution at the right time, in light of that understanding.
Product life cycle and the extent and nature of competition
Characteristics of the workforce.

But, the benefit to subscribing to the view that these key differentiators are good choices for development priorities is made more obvious by the fact that most respondents reported working in total rewards in multiple organizations. Twenty-four percent said they had worked in at least four different employers, as shown in Figure 1. So one can think of the key differentiators as “what works” in general, and as a supplement to “what works here” within their own organization.

Do These Key Differentiators Apply for All Professionals Across All Levels of Responsibility?

What about the cross-applicability of these eight key attributes? Are these key differentiators of high performance applicable to both senior-level and entry-level professionals? Yes, they do apply across all groups, even with a few statistically-significant exceptions shown in Figure 5. These differences in the frequency of mention across levels of responsibility are generally intuitive. For instance, one might expect that Attention to Detail could be a less commonly-mentioned factor for executive-level professionals versus more junior-level professionals. But overall, the key differentiators list holds together well on a statistical basis across all levels of responsibility.

It should also be noted that fewer mentions in one level of responsibility versus another doesn’t necessarily mean that the item referenced is not (or no longer) a part of that job level. Just as likely, it could indicate that the attribute is simply less often thought of as a differentiator.

Communication & Connection is a notable example in the other direction. In examining responses here, it appears that Communication & Connection are beyond the typical expectation of even a top performer in the entry level. Future stars are probably more commonly building their reputations through things like a demonstrated aptitude for Continuous Learning than for excellence in Communication & Connection.

Were There Differences in What Respondents Would Recommend to Others Versus What They Consider Differentiators of Top Performers?

Logically, of course, there were differences in what respondents would recommend to others and what they consider to be differentiators of top performers. An easy example of this divergence is in the Technical Mastery category. While Technical Mastery is common advice as part of building a successful career in total rewards, respondents were somewhat less likely to indicate it as what sets top performers apart. It is likely considered more of a minimum requirement. Also of particular note, Passion & Proactivity was mentioned far more frequently as a key differentiator than as advice.

While some bona-fide universal best practices do exist in the world of human resources, for the most part, what is nearly universally understood about the term “best practice” is that it can vary depending on the situation. This touches on one of the key findings of this project: context.

Most of the key differentiator categories identified in this census report (in fact, likely all, except Passion &

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8 The Technical Appendix shows number and share of comments by category, a histogram of categories per comment (almost 90% were coded to one or two categories), and percent of codes across categories for each of the three questions to show the comparisons discussed above.

9 All else being equal, one example of a best practice is realistic job previews, which have been shown to reduce turnover among new hires. See “Effects of Realistic Job Previews on Multiple Organizational Outcomes: A Meta-Analysis” (Phillips 1998) for some of the related research on realistic job previews and impacts on a variety of organizational metrics. “The Connection between Academic Research and Total Rewards Professionals: A Survey of Practitioner Knowledge and Discussion of Research 2010” reviews numerous academic findings in various total rewards related matters as well.

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Proactivity\(^9\) have a contextual dimension that is obvious on its face. For example, an employee with strong Strategic Business Understanding is able to discern better choices and identify the more important issues in light of the situation at hand. Similarly, an employee with great Adaptability & Flexibility would demonstrate an ability to smoothly transition his/her focus as important issues shift. Both strategic business understanding and innovative thinking, concepts embedded in the category Continuous Learning, frequently manifest themselves as knowledge of how something is done in some other context, with the ability to connect the dots to the applicability of the current situation.

The Importance of Context in the Real World

Most business strategy theories and research\(^{11}\) strive to present a common framework that might be applied to an individual circumstance — in other words, a theory that should be locally contextualized. This is particularly important as one works through problems in his/her career (the “how”) and moves into the contextually-applied knowledge of the “why.”

Two examples from the professional literature and a situation that is close to home for WorldatWork underscore this point:

Ⅰ The book *Riding the Waves of Culture* places among its key goals the idea to “dispel the myth of ‘one best way’ of managing and organizing” (Trompenaars and Hampden-Turner 1997). One chapter of the book discusses the sometimes unique cultural dimensions of different organizational functions, for example human resources, manufacturing, research and development, and concludes that the cultural differences among organizational functions can rival those of the cultural differences seen across nations.

Ⅰ In a recent *WorldatWork Journal* article, author Robert Greene offers another context-specific example in the arenas of labor- and capital-intensive industries: “Banks, which typically have two-thirds or more of their controllable costs in the form of workforce costs, cannot compete with capital-intensive organizations when it comes to setting pay levels. An oil refinery has 1% or less of its controllable costs in people, so doubling the pay of office personnel will have virtually no impact on the bottom line. A similar strategy would decimate a bank’s profitability” (2011).

Ⅰ Finally, the importance of context is seen annually at the WorldatWork Total Rewards Conference & Exhibition. Practitioners frequently express the idea that the value of hearing case study presentations at the conference is enhanced when the workshop starts by setting the stage in a way that enables the listener to assess the contextual similarities and differences in relation to issues they currently face. Attendees do not necessarily expect that they will find someone in the same industry, facing the exact same issue at the same time, willing to share ideas at the necessary depth. (These are competitors, after all). But many recognize that being able to expand the pool of potentially applicable cases via applying one’s own understanding of context and being able to draw the meaningful parallels and recognize the important differences in constraints faced in each situation is a key skill.

Expanding on the Eight Differentiators

The remainder of this chapter includes short overviews of each of the categories, including a word cloud that visually depicts the most common written terms in each category, some representative verbatim quotes from respondents and a short discussion.\(^{12}\)

### Strategic Business Understanding

Following are verbatim quotes from the census regarding Strategic Business Understanding:

Ⅰ “Ability to see the big picture amidst all the details of the job and a willingness to put in the time and effort required to exceed expectations.”

Ⅰ “An ability to understand the business/industry they work in and align rewards to what the business needs. We do not work in isolation. We need to understand that the strategies we come up with should support the business and not make it hard to do. They should be supported with clear processes, direction and education as to why they are doing what they are doing and ultimately should show how it contributes to people results and subsequently to business results.”

Ⅰ “Business acumen and ability to build effective relationships.”

Ⅰ “Business awareness, strategic perspective, influencing skills and ability to successfully partner with support groups and client groups.”

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\(^{10}\) Even in this case it is not a far stretch to assume that Passion & Proactivity is valued in all cases, but it is even more valuable when pointed at the most pressing issues of the day.

\(^{11}\) Including common concepts like the Resource Based View (RBV).

\(^{12}\) Note that each word cloud represents all comments uniquely coded to that category and represents literal text, which is why, “strategic,” and “strategically” each appears. The direct quotes, however, may appear in multiple categories. Note also that the size of each word in the word cloud represents the relative frequency of the term appearing in that category, but comparing the size of terms across categories, and clouds, is not meaningful.
“Greater understanding of their customers’ business strategy. Better understanding of total rewards components and their impact on the business strategy.”

“Hard work and knowledge of the company and the job for which you are working.”

“Knowing the business, anticipating their needs and being able to creatively address their issues.”

“Knowledge, analytical approach, focuses on key projects with maximum benefits.”

“Knowledge/ability to understand strategy, being able to look past today and visualize future requirements.”

“Top performers go beyond answering the obvious question to think through implications, pros/cons, etc.”

“Top performers have an overall understanding of how a business works from reading the financials to understanding how top reward programs impact the bottom line.”

At some level, what is described above could be seen as simply having a total rewards strategy that is constructed to support the larger organizational or business strategy. But many comments in this group seem to be getting at something bigger. Perhaps even as big as saying that the truly highest performing employee is the one who understands the business well enough to be one of the few in the organization who is able to significantly contribute to the business strategy.

This category also clearly addresses the general need for the high performer to successfully prioritize. The ability to exercise strategic use of resources in the context of what is most important to the business matters considerably. This is not only about the issues the organization faces today, but also in the future. In a nutshell, it is the ability to see the big picture.  

**Passion & Proactivity**

Following are verbatim comments from the census regarding Passion & Proactivity:

“Being curious; being able to take an assignment and really think through the possibilities and not simply just answer the question.”

“The ability to think strategically and see improvements before needing them. Being proactive.”

“Top performers take ownership of their job, grow into their job, crave information across disciplines to approach challenges in a holistic way, strive for continuous improvement, initiate new projects etc., whereas average performers do the job per instruction and are not interested in growing into that job.”

“Top performers tend to be self-driven.”

In “Employee Proactivity in Organizations: A Comparative Meta-Analysis of Emergent Proactive Constructs,” the authors overview different operational definitions of proactivity, while at the same time addressing how and why the concept is of substantial interest in recent years (Thomas 2010). Much of their thinking covers concepts addressed elsewhere in this report — that a work environment of meeting long-term objectives under short-term instability and greater flexibility (less hierarchical structure, more tacit interactions and roles, etc.) calls for particular attention to self-motivated, proactive and passionate work.

**Technical Mastery**

Following are verbatim comments from the census regarding Technical Mastery:

“Average performers are focused on the mechanics of total rewards; top performers fashion the mechanics into an enabling structure that can be modified and shaped to fit specific business needs.”

“Average performers tend to focus on rewards administration, without seeking understanding of the holistic role of total rewards in the employee value proposition. Top performers seek depth of understanding in both.”

“Broad knowledge of compensation practices in other companies and industries. Consultation skills, specialized knowledge in a variety of compensation areas (executive, international, expatriate, incentives and sales). Ability to juggle both long-term project and short-term emergencies.”

“Build up leadership and technical expertise in HR functions.”
“Carrying out the core responsibilities of the role (have technical expertise), but also have the ability to go that one step further to make a difference - often involves building strong working relationships with the business/HR leaders (able to communicate and discuss C&B practices and policies etc.).”

“Client relationship skills and strong technical knowledge.”

“Commitment, technical study and focus in relationship.”

These quotes from respondents reveal that technical expertise was mentioned frequently as a key asset. Many comments also indicate that respondents believe technical expertise is not sufficient in itself; it was often mentioned in combination with other factors or assets. (See Technical Appendix at www.worldatwork.org/TRSuperstar).

One’s specific technical competencies can vary greatly by the particular job function or functions. They can also be affected by the composition and technical skills of the rest of the team. But the idea that there is a common core of technical knowledge overall in compensation, benefits, work-life and global remuneration is supported by the practice analysis process which underpins each of the designations granted by WorldatWork.14

Communications & Connection

Following are verbatim comments from the census regarding Communications & Connection:

“I think the biggest difference is that top performers can take their data analysis and present the ‘story’ to management to help them make informed decisions. Average performers may complete the analysis, but not have the skill set necessary to take it to the next level for consultation with management.”

“Ability to tell the story data presents.”

“Ability to analyze, present to executive with sound recommendations.”

“Ability to articulate/sell ideas.”

“Ability to build relationships and ability to think and communicate strategically.”

“Ability to communicate effectively to senior management.”

“Ability to connect with people and develop trust.”

“Ability to convey complex messages (legislation, tax etc) in a simple way and offer practical solutions.”

“Build and maintain positive relationships with individuals in all levels of the company. Be open to the business case and be prepared to present your ideas in the framework of the individual receiving the message.”

“Build and maintain professional relationships and trust with individuals across your organization.”

“Business acumen and influence skills.”

“Use common sense and know that whatever you do today, it will have consequences in the coming years. It is essential that business sees you as a partner not an administrator.”

“Combining analysis skills with influencing/relationship skills.”

“Not the technical skills. I believe it’s the ability to communicate effectively to management and employees in a ‘non-geeky’ manner as many C&B professionals are focused only on the technical aspects of the job and lose the vision of how the programs impact the business, and when to be flexible vs. when to stick to the rules and principles.”

“Not willing to find out what customers need.”

“Organizational awareness and relationship building.”

“Perseverance and communications skills (both listening to understand and ‘selling’ your ideas/recommendations).”

The overarching finding about the importance of Communications & Connection is evident in these comments; perhaps it’s even on par with how pervasive it is in the Strategic Business Understanding category. Simply stated, an insufficient ability to communicate and connect with leaders and colleagues could lead to many bad situations, including the pursuit of problems which are not the most urgent or important.

But even armed with a good understanding of the “right problem,” it is perhaps not enough to be able to figure out the right answer. What is really required, according to respondents, is the ability to “tell the story” in a way that is meaningful to the audience. In some situations, influence and persuasion might be paramount, but in others, communicating is really as simple as being understood.

Specific applications of communication and connection can obviously vary substantially, but at the core is the often-repeated notion: “It’s not what you say, it’s what they hear.”

14 WorldatWork had conducted practice analyses in the development of its Certified Compensation Professional (CCP), Certified Benefits Professional (CBP), Global Remuneration Professional (GRP), Work-Life Certified Professional (WLCP), Certified Sales Compensation Professional (CSCP) and Certified Executive Compensation Professional (CECP) designations.
Continuous Learning

Following are verbatim comments from the census regarding Continuous Learning:

- “Ability to get out of their comfort zone to accept new challenges and opportunities.”
- “Willingness to learn, not eagerness to show their way is the right way.”
- “Take the opportunity to build your career both laterally as well as vertically. Work in different areas of the organization to gain a deeper understanding of the business. Be a well-rounded professional understanding both the field of HR as well as the business landscape within which the organization works.”
- “It is an ever-changing field, so be willing to put some time and effort into education yourself and stay abreast on current affairs.”
- “Dedication and constant learning.”

It would be challenging to find an opposing viewpoint to that of the need for continuous learning. It is good advice in any situation and maybe even more important today, given the rapid pace of change.\(^{15}\)

One could certainly argue for including this category as part of the Development Support System category because it is about the total environment within which the practitioner exists. The distinction drawn during the process of coding respondent comments was to generally attempt to ascribe as little intent or subtext as possible. Having opportunities fits in Development Support System, while using them for learning falls under Continuous Learning.\(^{16}\)

One of the most persuasive findings in Kelly’s business classic, *Being a Star at Work*, is that one key trait that sets high performers apart is how they leverage the opportunities they receive (1998). One end of this idea is that the stars at work are both prepared for and ready to excel in activities that are presented as development opportunities. The other end of this continuum is a concept that takes some by surprise at first: There are far more activities that can be leveraged into development opportunities than actually are leveraged. In other words, the stars at work find ways to get more out of each task or opportunity. The example provided in the book was a software engineer who wound up being asked to take some time to work on code testing. One reaction to this assignment could be to take the assignment as a show of disrespect or try to perform the task to a minimum acceptable standard. The star at work instead used the opportunity to learn a variety of things about common disconnects and workarounds between the two groups. In the end, the star leveraged the chance to enhance his/her performance as an engineer through greater understanding of other roles and tasks.\(^{17}\)

Analytical Skills & Attention to Detail

Following are verbatim comments from the census regarding Analytical Skills & Attention to Detail:

- “Analysis skills - understanding the business and helping make informed decisions.”
- “Attention to detail; the ability to multitask and see the big picture and the total impact of any changes to programs or policies.”
- “Be detailed and customer-service oriented.”
- “Commitment, attention to detail and intelligence.”
- “Consultancy skills, HRIS skills, analytical skills.”
- “Genuine interest in the work and capacity for understanding the math.”
- “I think strong analytical ability combined with good business understanding/business sense is important to the role.”
- “Initiative and analytical ability.”
- “Inquisitive mind, ability to translate theory into practice, excel skills and statistical methods applied to total rewards.”
- “Love numbers.”
- “Major in an analytical degree — network and/or interview into entry level position while at college. Internships in related areas would also help.”

\(^{15}\) See Chapter 2: Connecting to the Business for further discussion.

\(^{16}\) Continuous Learning and Development Support System did demonstrate substantial overlap: 28% of the comments placed in Development Support System were also placed in Continuous Learning. (See Figure 11 in the Technical Appendix at www.worldatwork.org/TRSuperstar).

\(^{17}\) In *Reinventing Work*, author Tom Peters made similar points, specifically calling for individuals to mentally transform their department at work into a professional service firm, and approaching all assigned projects with a specific eye toward learning. As Peters said, “[E]very project can be formulated to have an R&D component … some intriguing hypothesis to be tested … Life is too short to suffer non-learning experiences” (1999).
“Role has to fit your core skills, otherwise you will get frustrated. Analytical skills are critical in compensation and benefits.”

“The ability to pull numbers into an analysis and the ability to understand and make recommendations based on the analysis.”

“Work the extra mile. Anticipate the executive questions. Be prepared with knowledge, facts and analysis. Do not make errors.”

“You have to have a passion for the details of the work. You have to be able to be seen as an expert and in so many different areas. Have to either know the answer already or know where to look for it quickly.”

“You have to love numbers and data. You must be able to know all of the details without getting lost in them.”

“You need to be analytical and good with numbers, you need to be able to juggle many concurrent projects so therefore be organized and stress-resistant, you also need to be good with people and able to convince.”

“You need to have a mind which is analytical and enjoys solving problems. You need to be good with numbers and have high attention to detail. These would be your strengths that would ensure your success in the role. Ensure that you are keeping up with changes in the market and environment to stay competitive.”

A reasonable question regarding the category Analytical Skills & Attention to Detail might be whether one or both of these ideas are perhaps subsets of “knowing the job itself” (a phrase that was coded into the Technical Mastery category). In the interest of being as true as possible to the verbatim comments, these phrases, analytical skills and attention to detail appeared frequently enough to merit their own category.

The U.S. Department of Labor-sponsored, cross-occupational, content model, called O*Net (Occupational Information Network), lists analytical skills and attention to detail as two of the three most highly ranked work styles for compensation and benefits managers and compensation, benefits and job analysis specialists, along with integrity.

Adaptability & Flexibility

Following are verbatim comments from the census regarding Adaptability & Flexibility:

“Analytical ability and the ability to be creative in assisting management in obtaining their end results.”

“Be flexible and willing to change directions at any time.”

“Be flexible.”

“Be flexible, willing to learn and change with the ever changing compliance requirements.”

“Be prepared for growth and constant change; be proactive and try to stay ahead of the curve.”

“Be ready to make sacrifices; be ready to be flexible and learn to understand shades of grey.”

“Commitment and flexibility.”

“I think top performers have a higher aptitude for learning and understanding new topics. They are also able to identify a problem and develop a recommendation or solution to the problem. They also tend to be the individuals who will be responsible for seeing the solution through to implementation. Average performers seek direction in their tasks and have a more difficult time expanding outside of their box.”

“Important to think strategically and to be flexible and adaptable.”

“Influencing skills, people management - ability to get things done, flexibility - able to think on one’s feet and adjust to rapidly changing situations, knowledge of the business - key drivers and people.”

“Must be flexible and must be able to make very strong business cases.”

“Needs-focused, adaptable and creative in adopting different approaches to solving problems.”

“Stay flexible, keep the details straight and continue to learn what you can.”

“To have a global mentality to be successful in the design and development of corporate plans adapted to local culture and way of work.”

Today’s breakneck speed of changing business priorities is logically an important driver behind the frequent appearance of Adaptability & Flexibility in survey respondent comments. The word flexibility in the context of the comments clearly implies an ability to stay on top of the key issues of the day, and further, perform as a partner to the business in addressing them.

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Following are verbatim comments from the census regarding Development Support System:

- "Always give more — through initiative and excellent work product. Seek mentors whom you respect within and outside HR. Take interest in learning on the job, reading and ask questions to gain understanding."
- "Be open to opportunity even if career path isn’t straight. (I moved to HR from strategy via sales)."
- "Development opportunities and mentorship."
- "Education, recognition of work they do, advancement opportunities."
- "Education, solid understanding of financials, mentorship and support."
- "Execution in projects, taking initiative, and working on projects with high exposure."
- "Funding and management support."
- "Having mentors who coach and counsel them and owning the work that is produced."
- "Having specific and measurable goals."
- "Involvement in development opportunities."
- "Keep your eyes open for opportunity."
- "Look for opportunities to shine and be recognized; don’t just rely on doing your day-to-day job."
- "Make the most of opportunities that come along the way."
- "Much knowledge can be gained from tapping into professional networks or taking advantage of mentor relationships. Strong analytical skills are essential to success."
- "Opportunity to grow and take risks."
- "Take advantage of opportunities to develop critical thinking skills."
- "Tap into internal mentors. Attend WorldatWork and SHRM seminars. Work on advanced certifications. I would also recommend getting a master’s degree."
- "Their organizational structure. Opportunities to do things greater than rote duties. Their bosses - bosses who really want their employees to succeed and not just do the work."

Management support certainly leaps out as the key phrase from overall comments within this category. The word "opportunities" was also mentioned prominently. In fact, some comments seem to imply that the opportunity to shine is all that is missing from the actual act of shining for some average performers. This is almost certainly true in some cases, but it is important to understand that supervisors and senior leaders are putting their own reputations on the line in providing opportunities for their employees to shine.

Formal internal mentoring programs were infrequently mentioned by respondents, but it is important to recognize that mentors are not necessarily "assigned" nor must they work at the organization of the protégé to be helpful. The comments of Tracy J.O. Kofski, CCP, GRP, WorldatWork Society of Professionals board member, are illustrative of this point (King 2011):

“My greatest development has been through people who were my bosses who, as I transitioned to other roles and opportunities, continued to be my mentors. So I have found my biggest personal growth through keeping those relationships and having them stay connected with me, giving me that honest feedback, particularly when I wasn’t reporting to them anymore ... where they could be really brutally honest. Or, I could come to them for direction, help, expertise and guidance wherever I worked. If you don’t have a great mentor who can help you find your ‘true north,’ I encourage you to find one.”

20 Brafman’s Succeeding When You’re Supposed to Fail: The 6 Enduring Principles of High Achievement (2011) addresses numerous concepts described in this section, such as “locus of control” (internal locus of control is the belief that one controls his/her own destiny) and the importance of “satellites” (the term used in the book for mentor-like relationships). Internal locus of control has been shown as equally powerful as self-esteem in predicting job satisfaction and job performance (Judge and Bono 2001). Also on the topic of mentoring benefits are two recent articles, “Career Benefits Associated with Mentoring for Protégés: A Meta-Analysis” (Allen, et al. 2004) and “A Quantitative Review of Mentoring Research” (Kammeyer-Mueller 2008).

21 In Being a Star at Work, Kelley asserts that non-stars frequently view being asked to present at an important meeting as what sets the stars apart — without much acknowledgment of all of the things that might have happened along the way to make that particular employee the one chosen by senior leaders to present (1998).

22 “Our organization has a formal mentoring program for jobs like mine” (mean 2.98 on a 7 point scale from strongly disagree = 1 to strongly agree = 7 even for the largest 20,000 or more total employment organizations.)
Chapter 2:
Connecting to the Business

Understanding company or organization operations is one of only three items from the list of skills provided to survey respondents\(^{23}\) that was rated in the top five both in importance and as a development priority. Two representative comments by respondents bring this finding into clearer view:

I “We would never be able to provide total rewards advice to an organization if we first do not understand their business, their strategic objectives and how these cascade out to business units, divisions, departments and work units.”

I “Understanding how the business makes money is the key to understanding how we need to pay people.”

By many different measures, the pace of change in business is increasing (see Figure 6), although the need for the HR or total rewards function to connect to the business is not necessarily more important now than it was at any other time in the past. Anyone with experience in HR or the total rewards fields would be familiar with the statement, “HR and the employee rewards strategies should be based on the organization's business strategy.” It may not meet with universal agreement in every organization, but it is probably close.

Finding 3:
Connecting to the business is important for all, but 1) it is easier said than done, and 2) the imperative for this understanding grows with level of responsibility.

The idea of connecting to the business being ‘easier said than done’ today is more nuanced, but the case would likely be made around the following handful of factors:

The second portion of Finding 3 — namely, the imperative of being able to connect with the business as one’s level of responsibility increases — is perhaps as straightforward as employee line of sight. In other words, executives are far more likely in their daily work to have to think about and relate to the overall big picture of the business, whereas the entry and mid-level employee may not. As evidence of this, see Figure 6.

Figure 6 | Connecting to the business is more and more difficult because ...

The pace of change, as evidenced by things like...

The rate of churn in lists of large companies (specifically those on the Standard and Poors index in this particular reference) is one indicator of growing business competition and complexity (Kaplan 2001).

The growth in knowledge workers who assemble information from a variety of sources “tacit interactions” and the “creative class” workforce are examples (Beardsley, Johnson and Manyika 2002, 2006) and (Florida 2002).

The general trend of globalization. Foreign direct investment is often used as a proxy for this trend. (Organization for Economic Co-operation and Development 2012).

Virtual competition and new business models (Anderson 2009).

A lower tenured workforce overall

Most know that in the United States, the younger share of the workforce (often referred to as Generation Y) is far larger than it has been since Baby Boomers were starting their careers (Gronbach 2008). And many know that younger workers make up a larger share of overall turnover in organizations. From that information, some come to the conclusion that younger workers are less loyal—and further, that this is some sort of new Generation Y phenomenon. Actually, median job tenure for males age 25-34 is essentially flat.* What’s different is the larger share of all workers in this lowest-tenured category. Median job tenure for males aged 55-64 is down considerably from its peak in 1983, which adds to the likely reality of the perception of a less-tenured workforce. (Individual industry and even organization results may vary substantially). (Employee Benefit Research Institute 2001).

“Cultural” differences across functions

Human resources often plays a dual role of employer steward and employee advocate, which is unique in the organization, and can lead to misunderstandings and its own set of challenges. The cultural differences between functions in the same organization are also discussed in Finding 3.

*Comparison of long-term labor force data for females is complicated by large increases in the rate of women participating in the labor force since the 1950s.

\(^{23}\) Strategic thinking and influencing/persuasion were the other two. The skills list is discussed in the Focus on the Future chapter.
premise, Figure 7 shows the increasing share of comments that mentioned the word “business” by level of respondent.

**What is Business Acumen and How is it Developed?**

Respondents were also asked separately and directly about the specific concept of business acumen — what they have done or plan to do to develop it. (See How Business Acumen was Defined for Respondents on page 17). Much like the United States and the United Kingdom are said, at times, to be two countries separated by a common language, the different perspectives between human resources and the rest of the organization about business acumen have the potential to lead to confusion.

One place for confusion within the concept of business acumen is around the definition of a customer. Corporate functions like marketing, finance and sales may have subtle differences in their definitions of customer. But the HR department, as with any other internally directed function, might view line leaders, senior management or even rank-and-file employees (who consume the services they provide) to be their customers.

The other place for confusion within business acumen is around the definition of a competitor. Here, the perspective of human resources could arguably be viewed as more enlightened than the non-HR view. Most employees, regardless of the function they work in, quickly and easily understand their employer’s competitors to be those with whom they compete for sales or market share. Fewer employees outside of human resources, however, specifically recognize other organizations they compete with for labor and talent beyond the “typical” definition of competitors. HR professionals think readily about local, regional, national and perhaps even global competitive talent markets depending on the particular job.

To the extent this report discusses these professionals having the ability to “speak the language of business,” what is meant is a subset of this concept that is shared by HR and business leaders. However, the case for enhancing the strategic impact of total rewards on their organizations by...
expanding the thinking of business leaders as described here has its merits.

**What Do High Flyers Say About Business Acumen?**

Among all respondents, the most commonly mentioned phrase in the context of increasing business acumen was “company understanding.” However, there were differences in the concentration of comments by High Flyers versus all others, most notably, around two concepts. Phrases around the notion of “industry” were more frequently mentioned by High Flyers, and comments about “general business” were substantially less frequently seen as shown in Figure 8 on page 16. While it might be possible to understand one’s industry but not one’s company, in reality, it is far more likely that an employee starts with an understanding of his/her company before comprehending the broader context of their industry. A quote commonly attributed to science fiction author William Gibson is one that rings powerfully true in this study: “The future is already here — it’s just not evenly distributed.” This study’s assimilation of the perspectives of thousands of total rewards professionals around the world has been individually shaped by individual circumstances — circumstances that may well be drastically different from one another.

While the eight key differentiators are likely to persevere over time, certain pieces of this study are expressly forward looking.

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**Finding 4:**

In describing how they develop business acumen, High Flyers are about twice as likely to mention externally focused factors, such as industry, competitors and key trends.

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25 Survey comments were blind coded — in other words, without comment coders knowing whether the individual commenter was a High Flyer when the comments were categorized.

26 Anticipation, being proactive and seeing what’s needed beyond what is asked was also a recurring theme in reference to what differentiates top performers in the overall study. The idea that experts are able to fold greater complexity into their evaluation of relevant circumstances is one that is often mentioned in the context of learning and deliberate practice and seems to be manifest in this case as well. That is to say, while it might be possible to understand one’s industry, but not one’s company, it’s more likely that one starts with company understanding and layers in industry context, which allows a more complicated but useful view. Related to this finding “Zap Your Brain into the Zone: Fast Track to Pure Focus” (Adee 2012) also discusses the virtues of external focus and describes Mihaly Csikszentmihalyi’s seminal work on “flow” (Csikszentmihalyi, n.d.).

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**How Business Acumen Was Defined For Respondents**

Below is the literal text that appeared in the survey section on this topic, derived from open comments WorldatWork received in a 2007 survey and the interweaving of a few definitions that have been put forth by some influential scholars such as Ram Charan and Dave Ulrich.

Prior research identified one important factor to career advancement among total rewards practitioners, which is the idea of “business acumen,” a phrase that means different things to different people. Common definitions include:

- Linking external business landscape with how your organization makes money
- Understanding key accounting terms and financial statements
- Thinking about business decisions in the context of your organization. “How many widgets would we have to sell to pay for that new program?”
- Connecting functional decisions to their effects on the business as a whole
- Being familiar with key business factors in your organization such as biggest customer, biggest competitor, key business objectives this year, stock price and key industry trends.
Chapter 3: Focus on the Future

In terms of priority for the future skill development of total rewards professionals, Strategic Thinking tops the list by a substantial margin. One other category, Influencing & Persuasion, was indicated by more than 30% of respondents. (Each respondent picked up to 3 out of 18 listed priorities for future skill development).

The top six future professional development priorities according to all respondents are:
1. Strategic thinking
2. Influencing/persuasion
3. Leadership skills
4. Understanding company/organization operations
5. Executive presentation
6. Project management.

Although these are the top six across all respondents, opinions about the order of development priorities changed a bit by level of responsibility. For instance, Analytic Skills, which doesn’t appear in the top six for all respondents, tied for first among entry-level respondents. And Project Management, which finished sixth across all respondents, was listed much further down the list for executive-level respondents. Additional detail and comparisons are available in the Technical Appendix.

Finding 5: The ability to think strategically tops the list of future skill development priorities for total rewards professionals. Communication was often ignored as a development priority.

The quadrant lines in Figure 9 indicate the averages for each category and provide some perspective within either axis. In combining them, what is evident is that some substantive differences appear in what respondents see as “most important skills overall” compared to their own “development priorities.” On an individual level this can be explained as a past history of well-executed skill development (respondents having addressed most important skills for themselves already and thus future development priorities are elsewhere). In aggregate, it is more likely these differences represent a “blind spot” that aspiring top performers would do well to pay attention to.

The figure indicates that there are three top differences in items deemed “important” versus “development priorities:”

- Written communication
- Verbal communication
- Customer orientation.

These three items, which appear in the upper left quadrant of Figure 9, were far more frequently chosen as important rather than as development priorities. The fact that communication was unlikely to be reported by respondents as a development priority may be explained as simply as respondents taking a more applied emphasis in their answers. In other words, rather than emphasize the medium of communication (verbal or written) they considered the key factor to be the purpose, e.g., influencing/persuasion, project management and executive presentation as applied examples likely to embody good communication.

Despite communication not finishing high as a development priority, communication skills are commonly found in

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27 Even where differences in priority between levels of responsibility might match intuition, comparing is of limited use to the extent the respondent indicates them in the context of their level. Many organizations have defined job ladders, where particular competencies, such as analytical skills, presentation skills or accounting knowledge are defined per level or role. For example, accounting knowledge might specifically mean something like: “The compensation analyst can identify X, Y and Z measures in the financial statement, and explain the differences between them.” The same term would have a more challenging or potentially more ambiguous definition for a compensation manager role, and so on, moving up the ladder.

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Figure 9  Development Priorities by Overall Importance Ratings of KSA List

Figure 10  Percent of respondents with experience in

Overall percent with any experience (example 18% indicated some experience in marketing), indexed by age

- Customer service (49%)
- General management (48%)
- Strategy/Strategic planning (45%)
- Operations (38%)
- Finance (33%)
- I.T. (25%)
- Business development (24%)
- Marketing (18%)
- International assignment (worked as expatriate) (11%)

Age Indexed Chance of Experience in ___

(50 is half as likely, 100 is equally likely, 200 is twice as likely)
“Do you believe that your next (promoted) role will be with your current employer?” (High Flyers only)

| Yes – 45.6% | No – 15.6% | Unsure – 38.9% |

About half of High Flyers see their next promoted role with their current employer

**Is High Performance Portable?**

*Chasing Stars: The Myth of Talent and the Portability of Performance,* by Boris Groysberg, is a specific study of Wall Street analysts with the general finding that at least some of star performance is embedded in the individual’s existing situation, including things like one’s team and the firm in general (2010). It is a cautionary tale about the recruiting of star performers and making expectations based on their performance in their former companies. Groysberg discusses several ways that the real story is more complex. In a study of General Electric alumni leaders, he cites abnormal positive returns (from 8% to 15%) from the leveraging of “strategic,” “industry” and “relationship” human capital. There are even stronger abnormally negative returns in cases that conflict with these notions. See also the recent WorldatWork interview with Groysberg, www.worldatwork.org/waw/adimLink?id=59580

**The Importance of Non-HR Career Experiences**

“The Path to Leadership in HR,” a study of chief human resources officers (CHROs) in Fortune 1000 companies, indicates that an HR generalist role — either a division CHRO role or other senior HR generalist — is most frequently the immediately prior role of the CHRO. (Petrone 2010)

This idea of a more general exposure as a career path to the top seems to carry beyond HR positions too. In The New Path to the C-Suite, author Boris Groysberg states: “We’re beginning to see C-level executives who have more in common with their executive peers than they do with the people in the functions they run (2011).”

Time spent working outside of human resources is becoming a more common refrain for HR career development (Petrone 2010), and it is a theme that seems to fit well with one line of exploration in the survey. One question asked respondents to indicate their total years of experience among a list of different work areas, which is shown in Figure 10. While it would not be totally accurate to call the list “non-HR” experiences, the list should provide some perspective of the scope of experiences respondents have acquired during the course of their careers.

With more years in the workforce comes a greater chance for any and all sorts of different experiences. Thus, most items on this list of experiences follow what might be considered an expected pattern of higher likelihood directly related to one’s age. Experience in business development,

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29 In this example, that responsibility might fall under the purview of an accounting or finance team member.

30 For example an HRIS implementation that results in movement from the I.T. group into HR and expatriate experience by respondents is at least as likely as not to happen while working in human resources.
Figure 12 | Career Development Index scores were higher for High Flyers

![Career Development Index Scores](chart)

Career Development Index Scores in Bins Up to __
- High Flyers
- All Others

See Technical Appendix for more information.

Figure 13 | Total rewards trends by level and organization size

What do you think are the three most significant drivers of change likely to affect the way in which the total rewards function develops in the next five years?

<table>
<thead>
<tr>
<th>Overall</th>
<th>by Total Employment</th>
<th>by Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>N= 1,440 359 337 350 392 113 497 691 137</td>
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</tbody>
</table>

- Ensure total rewards enhances the engagement of employees: 49% 51% 48% 47% 50% 44% 52% 48% 45%
- Increased focus on HR impact/analytics of how programs affect business results: 42% 42% 39% 45% 41% 41% 44% 41% 38%
- Need to ensure total rewards is communicated clearly and effectively to staff: 36% 34% 36% 37% 39% 38% 37% 35% 39%
- Need to provide increasing input to business strategy and our organization achieving business success: 36% 36% 37% 34% 37% 40% 38% 36% 28%
- Greater use of technology: 28% 27% 31% 31% 24% 29% 30% 26% 27%
- Need to provide cost-effective and high-quality total rewards administration processes: 22% 23% 26% 21% 20% 25% 18% 24% 29%
- Employment and demographic trends: 22% 25% 21% 19% 21% 23% 20% 21% 28%
- Desire to make total rewards function more cost effective: 19% 20% 20% 17% 18% 19% 18% 19% 23%
- Employment legislation: 17% 18% 17% 20% 15% 17% 15% 20% 14%
- Increased focus on program costs: 17% 17% 17% 15% 19% 18% 16% 17% 19%
- Need to provide more consultancy support to line management: 16% 13% 13% 21% 16% 15% 18% 15% 14%
- Devolution to line managers of more responsibility for total rewards: 10% 8% 8% 11% 13% 11% 13% 8% 7%
- Increased use of outsourcing of total rewards activities: 5% 5% 4% 5% 6% 8% 5% 4% 4%
- Other significant drivers: 3% 2% 2% 3% 4% 4% 4% 2% 3%
- Development of more specialist total rewards roles (such as development of roles which focus solely on senior management reward): 2% 2% 1% 1% 3% 3% 2% 1% 1%

Note: multiple answers allowed — sorted by overall survey frequency; list was randomized for respondents to mitigate any order bias.

Color scale based on rank order of percent in each column — Highest 🌟🌟🌟🌟🌟🌟🌟🌟🌟🌟🌟🌟🌟🌟🌟🌟🌟 Lowest
marketing and international assignment were more than twice as common among the most seasoned respondents.

While this list of experiences is interesting, perhaps more important is the idea of making the most of whatever opportunities one is presented with. Remember a representative quote from earlier:

“Top performers anticipate needs and go beyond expected roles. Also, top performers are not afraid to tackle tasks that may seem beneath them — always look at experiences as learning opportunities.”

Will High Flyers be continuing their high-performing ways in the future with the same organization in which they currently are employed today? (See Figure 11 on page 20.)

Finding 6: The future for more than half of High Flyers may be in a different organization.

The entire notion of total rewards and making employees feel valued is one far too broad to do justice in a short mention. However, the idea that the same logic and tools that many are using with their employee population also merits consideration in the context of high performers in the total rewards team.

Building on this idea that High Flyers might not be with their current employer into the future is another finding of this research about external recruitment. External recruitment for senior level roles in total rewards is common: 73% of all executive level respondents indicated they were recruited externally, as compared to 55% overall. This is not to say that external hiring for senior roles is necessarily bad, but simply that its effects may reach further than is readily apparent.

Using a set of 10 attitudinal statements regarding career development, Figure 12 on page 21, shows a Career Development Index created from the results of the survey. The overall distribution is shown first, and examples of some of the individual statements follow:

“Adequate thought and investment goes into growing the skills of staff, through training and experience, so they can fill more senior total rewards roles in my organization,” received more agreement (51% agreed) and was a place where High Flyer ratings were significantly higher (statistically) than their comparison group. More than 85% of all respondents agreed that “I would recommend a career in total rewards to others,” and more than 90% agreed that “Each employee owns his/her own development.”

Finding 7: The future of the total rewards practice will be marked by four key trends:

- Ensuring that total rewards enhances the engagement of employees
- Increased focus on the HR impact and the analytics of how programs affect business results
- Ensuring total rewards is communicated clearly and effectively to staff
- The need to provide increasing input to business strategy and the organization achieving business success

When presented with 14 possible trends impacting the future of total rewards, the top trends identified were fairly similar across respondents of different organization sizes and responsibility levels. (See Figure 13.) Among emerging-level respondents, the “need to provide cost-effective and high-quality total rewards administration processes,” ranked fourth, higher than any other level, the “need to ensure total rewards is communicated clearly and effectively to staff,” was second among this group, versus ranking third overall.

Factor analysis is a research tool that can be used to identify the underlying structure of a larger number of variables. Three of the four most commonly indicated key trends group together well in a common factor that has been labeled Business Outcomes. Cost & External Factors, Consult & Communicate, and Reorienting of Methods are the terms used in Figure 14 on page 22 to refer to the other three groupings.

31 High Flyers were more likely to see a future promoted role with their current employer than respondents overall, and they have a more positive view of their career development. (See Technical Appendix for limitations.)

32 For some further perspective, a recent study of chief human resource officers (CHROs) in the United States and Europe found that 36% and 25%, respectively, were promoted internally, from within the function. These figures are far below what the same CHRO respondents reported for CEO or CFO positions (Wright, Stewart and Moore 2011).

33 Another of a set of attitudinal statements that make up the Career Development Index; select individual items from that index are interspersed throughout this section. Descriptive statistics of each item and the index are in the Data Appendix and discussion of the creation of the index from the individual variables is contained in the Technical Appendix.

34 Note there are a variety of specific techniques under the general heading of factor analysis, most specifically relevant here is that one was used in this case where uncorrelated factors are among the goals. Employment and Demographic Trends and Need to Provide Cost Effective and High Quality Total Rewards Administration Processes are each listed in the category where their factor loading was highest, but their categorization was more ambiguous. This factor with factor loadings is included in the Technical Appendix.
The “WorldatWork 2012 Total Rewards Professionals’ Career Census” used the answers to open-ended questions from more than 2,300 total rewards professionals in order to build a profile of the career of a high-performing total rewards professional. By collecting, analyzing, and sharing this information, WorldatWork hopes to help total rewards professionals find ways to further develop their careers.

The census found several interesting findings. In particular, it uncovered eight key differentiators that distinguish top performers: Strategic Business Understanding, Passion & Proactivity, Technical Mastery, Communication & Connection, Continuous Learning, Analytical Skills & Attention to Detail, Adaptability & Flexibility, and a Development Support System.

In addition, this research found that top performers are not just good at their work, they are also highly tuned into the reason or “why” they are doing what they’re doing. And of course, one key differentiator of top performers in total rewards that has been discussed frequently in the literature is a true understanding of the business, its needs and how it operates. And as it happens, a particular group of interest in this census known as High Flyers tends to develop this business understanding from knowledge of external factors such as industry, competitors and key trends. In keeping with the key theme of business understanding, top performers also desire to think strategically.

And in terms of the future, it seems that High Flyers, in particular, are nearly split down the middle in terms of their futures. Slightly more than half are at least considering building their careers in another organization. Key trends impacting the practice of total rewards will include: 1) Ensuring that total rewards enhances the engagement of employees; 2) an increased focus on the HR impact and the analytics of how programs impact business results; 3) ensuring that total rewards is communicated clearly and effectively to staff; and 4) the need to provide increasing input to business strategy and the organization achieving business success.

In summary, the future looks bright for those total rewards professionals who excel at understanding the organizational context of the challenges they face and opt for a career of continuous improvement of the key differentiators their peers and senior leaders in total rewards have indicated they look for most, and evaluate top performance against.

Note: For more detailed information about the survey, see the Technical Appendix at www.worldatwork.org/TRSuperstar.

Conclusion

Figure 14  Four future orientations: Factor analysis of key trends impacting the future of total rewards careers

| 1. Business Outcomes | Need to provide increasing input to business strategy and our organization achieving business success |
| | Ensure total rewards enhances the engagement of employees |
| | Increased focus on the HR impact/analytics of how programs impact business results |
| 2. Cost & External Influences | Increased focus on program costs |
| | Desire to make total rewards function more cost effective |
| | Employment legislation |
| | Employment and demographic trends |
| 3. Consult & Communicate | Development of more specialist total rewards roles (such as development of roles which focus solely on senior management reward ) |
| | Need to provide more consultancy support to line management |
| | Need to ensure total rewards is communicated clearly and effectively to staff |
| | Need to provide cost-effective and high-quality total rewards administration processes |
| 4. Reorienting of Methods | Increased use of outsourcing of total rewards activities |
| | Greater use of technology |
| | Devolution to line managers of more responsibility for total rewards |
References


Gronbach, Kenneth W. 2008. The Age Curve: How to Profit from the Coming Demographic Storm. New York. AMACOM.


