

The Need to Link Talent to Pressing Business Needs

Lessons Learned from the Argidius-ANDE Talent Challenge

Can addressing talent as a solution stand on its own? Or does it become sidelined as an issue when strategy and finance seem to be the pressing issues? Linking talent to strategy and finance is the way to convince SGBs of the importance and value of investing in talent solutions.

Addressing talent and building out the Human Resources (HR) solutions to recruit, retain and develop staff often receive an “*I will get to that later*” or “*we will solve that when we are bigger or have the money to do so*” response from Small and Growing Businesses (SGBs). The response is even more acute in the startup phase. SGBs often won’t invest in talent as a standalone offer or prioritize talent as a strategic function when there are other issues perceived as more urgent.

Two AATC finalists recognized that the best way to address talent was to embed talent within the business strategy and finance /capital raising strategies of SGBs. Village Capital optimized the link between investment milestones and talent. Open Capital Advisors (OCA) embedded talent into their engagements.

Village Capital identified what they call the talent trap: it’s hard to raise money without the right team, but it’s hard to afford the right team before you raise money. They saw early-stage startup CEOs treating talent as an administrative function rather than a strategic one which they viewed as a critical mistake. To avert this trap, Village Capital embedded talent as a key determinant of investment readiness milestones within its VIRAL (Venture Investment-Readiness and Awareness Levels) Pathway. For many businesses participating in Village Capital programs, using the VIRAL Pathway helped them prioritize talent that resulted in key business outcomes and value creation.

When OCA went to the market to sell talent engagements, they were disappointed with the traction they were getting from potential clients. They then pivoted their tactics to add on and embed talent into their traditional strategy and finance consultancy engagements. Through the lenses of strategy and finance, OCA’s clients were able to see the value of investing in talent and talent management systems to grow their businesses and attract investment.

Although it might seem disappointing that talent is hard to sell as a standalone offer, linking talent to investment and the growth of the business makes the business case for talent. Businesses then see the financial as well as the non-financial value of investing in the HR function and in recruiting, retaining and developing their staff. Linking talent to important milestones and business outcomes makes talent a more tangible priority for SGBs who see their survival and growth hinged to only strategy and finance.