



Talent Management Strategies of Award-Winning Organizations

How Top Workplaces Unlock Potential to Drive Workplace Excellence – and How You Can Too



The Energage People Science Team

Connecting a People-First Culture and Talent Strategy Drives Growth

Executive Summary

We set out to explore how organizations are approaching talent management today, including what they're doing well, where momentum is building, and what differentiates the best from the rest.

Our survey audience included a proprietary mix of Top Workplaces winners and employers aspiring to earn that recognition. Both groups already have stronger-than-average workplace practices. We uncovered clear patterns in how talent management is approached among them, including these key takeaways:

- ☆ **Foundational practices are common.** Most organizations have adopted core talent management practices and rate themselves at a mid-level of maturity.
- ☆ **Traditional approaches dominate.** While the basics are widely in place, organizations often rely on established methods rather than exploring innovative strategies.
- ☆ **Technology gaps persist.** Few organizations are leveraging modern tools to enhance analytics, workforce planning, and overall talent strategy.
- ☆ **High maturity is rare.** Advanced practices — particularly those tied to data, planning, and technology — remain uncommon.
- ☆ **Top Workplaces show what is possible.** They hire with culture in mind, prioritize development at every level, and clearly identify top performers with a plan to grow their impact.
- ☆ **Intentional consistency drives results.** Top Workplaces' talent management practices aren't complicated or revolutionary — but they are deliberately applied, consistent, and effective.
- ☆ **Culture drives measurable impact.** Top Workplaces score highly on the same research-backed survey that informs the Human Capital Factor ETF, which has outperformed the S&P 500 by 70% over the past 14 years.

In short, while most organizations have mastered the basics, Top Workplaces demonstrate how connecting culture, strategy, and people practices creates measurable impact in the workforce — and on the bottom line.

Top Workplaces Don't Just Win Awards — They Win at Culture, Talent, and Performance Too

We studied the nation's Top Workplaces, employers celebrated for their award-winning cultures. We found that they go further, connecting culture and talent management to attract, grow, and retain top talent that drives real results. This report reveals exactly what they do, and how you can apply the same practices to achieve similar success.

Top Workplaces are recognized by scoring highly on the same research-backed employee survey that informs the **Human Capital Factor ETF**, a financial instrument developed by Irrational Capital — and the results speak for themselves.

Over the past 14 years, that ETF has **outperformed the S&P 500 by a staggering 70%.**

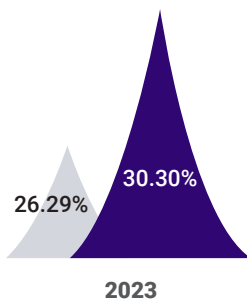
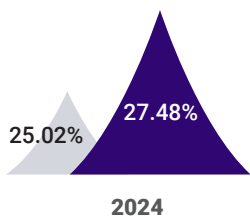


HUMAN CAPITAL FACTOR ETF
Outperformed S&P 500
index over 14 years

Top Workplaces earn credible recognition, getting their brands in front of millions of people each year through features in 60+ leading media outlets, including USA TODAY, The Washington Post, the Chicago Tribune, and more. And they don't stop there.

They turn that status and visibility into **stronger talent pipelines, deeper employee trust, and lasting business outcomes.**

TOTAL RETURNS (YEAR-BY YEAR)



Human Capital Factor
US Large Cap ETF



S&P 500 Index



THE CONNECTION IS CLEAR

Great culture fuels success! Now let's explore how Top Workplaces are leveraging talent strategies and the employee experience to drive results — and how you can, too.

Top Workplaces Are Ahead in Talent Maturity

Top Workplaces are known for their people-first cultures, and they also lead with stronger talent strategies. In other words, they don't just value people — they build intentional systems to help them thrive and grow.

Our study assessed the prevalence, maturity, and integration of **talent management practices across seven key domains**:

-  Performance
-  Employee Selection
-  Recruiting
-  Listening
-  Action & Analysis
-  Development
-  Planning & Analytics

The Talent Maturity Index

On a five-point scale, Top Workplaces earned an average talent maturity score of 3.40, while Aspiring Organizations averaged 2.92.

Aspiring Organizations are in a solid middle zone. They've adopted foundational practices like annual reviews, performance goals, and basic selection processes. Some are going further, experimenting with coaching, development programs, or early-stage succession planning. Think of it as: "We're doing something, but it's mostly table stakes."

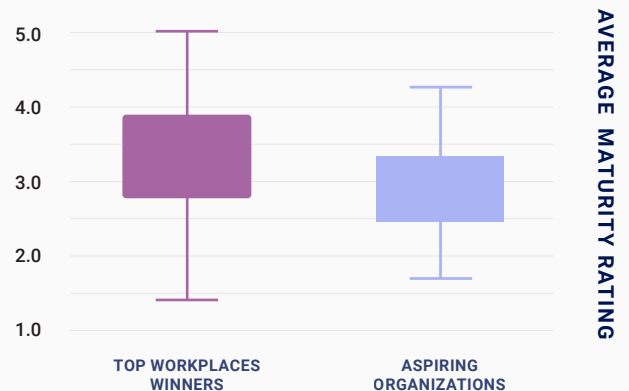
Top Workplaces, on the other hand, show higher maturity and greater variation too, which is an indication of both depth and innovation. Their higher scores reflect more widespread adoption of strategic practices and advanced integration across systems.



THINK OF IT AS:

Top Workplaces aren't just checking boxes. They're **connecting the dots** and seeing stronger results because of it.

COMPOSITE MATURITY INDEX



They've moved beyond one-off initiatives and built connected, people-centered strategies that align hiring, development, performance, and culture.

It's not all about doing more. It's about doing what matters and doing it well.

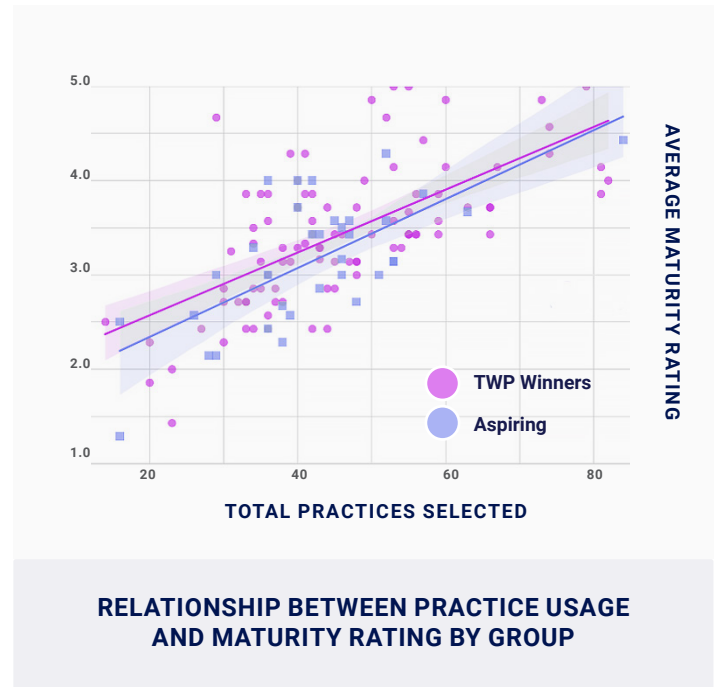
Talent Maturity Is About Depth, Not Just Quantity

One clear trend emerged across both groups: Every additional, people-focused practice contributes to higher talent maturity.

Top Workplaces cluster at the higher end of the scale and show a consistent, positive relationship between practice adoption and system maturity. The more they build, the stronger their foundation becomes.

For **Aspiring Organizations**, every new practice makes a bigger impact. Whether it's structured career conversations, culture-fit hiring assessments, or new tech-enabled tools, each layer delivers meaningful gains.

In other words, even small steps forward can accelerate your progress.



WHAT THE DATA SHOWS:

Broader practice adoption = better outcomes. But don't chase every trend.

Instead, be intentional about choosing the right practices — those that reflect your culture, scale with your goals, and elevate the employee experience at every stage. You don't have to do it all at once. Just start building — layer by layer — with what matters most.

What Sets Top Workplaces Apart

Top Workplaces aren't trying to do everything. They're doing the right things, with consistency, purpose, and alignment.

They've moved beyond siloed efforts and built a cohesive talent strategy that reinforces their culture and supports performance. It's not about being big. It's not about being flashy. It's about being intentional.



Successful talent management is not about complexity. **It's about consistency.**



Meaningful talent management is not about checking a box. **It's about connecting the dots.**

Small & Nimble, Big & Advanced

Talent Maturity by Company Size

When it comes to talent management, company size shapes the journey but not the destination. The data shows that larger organizations often have more systems in place, while smaller and mid-sized companies benefit from agility and closer connections. Both have strengths to build on — and both can make meaningful progress with the right practices.



Larger Organizations Tend to Show Higher Maturity

Large companies generally have established systems and dedicated HR teams, which gives them the structure (and resources) to implement advanced practices. They're more likely to use tech-enabled tools, run formal development programs, and invest in succession planning.



THINK OF IT AS:

More complexity means more need for structured talent management.

But Small and Mid-Sized Organizations Aren't Out of the Game

In fact, the data shows smaller companies have an agility advantage. While they may lack the same budgets or headcount of larger employers, they often:

-  Build closer manager-employee relationships.
-  Move faster to implement new practices.
-  Foster cultures of feedback and connection.

And when smaller companies do invest in structured talent practices, those practices often make a bigger impact.

Every Step Forward Counts, Especially for Smaller Teams

One of the strongest findings? The link between practice adoption and maturity is strongest among smaller or aspiring organizations. Every new initiative — whether it's a structured career conversation, onboarding checklist, or feedback tool — delivers noticeable gains.

It's not about scale — it's about being intentional and consistent.

In a nutshell:



Smaller employers leap ahead by being nimble and people-focused, prioritizing high-impact practices early on.



Bigger employers have the infrastructure to build layered, mature systems; the challenge is staying agile.



THINK OF IT AS:

If you're running lean, don't be discouraged. Focus on adding the right practices, one at a time. No matter your size, the key is to be intentional. Add what matters and measure as you go.

Talent Practices That Move the Needle

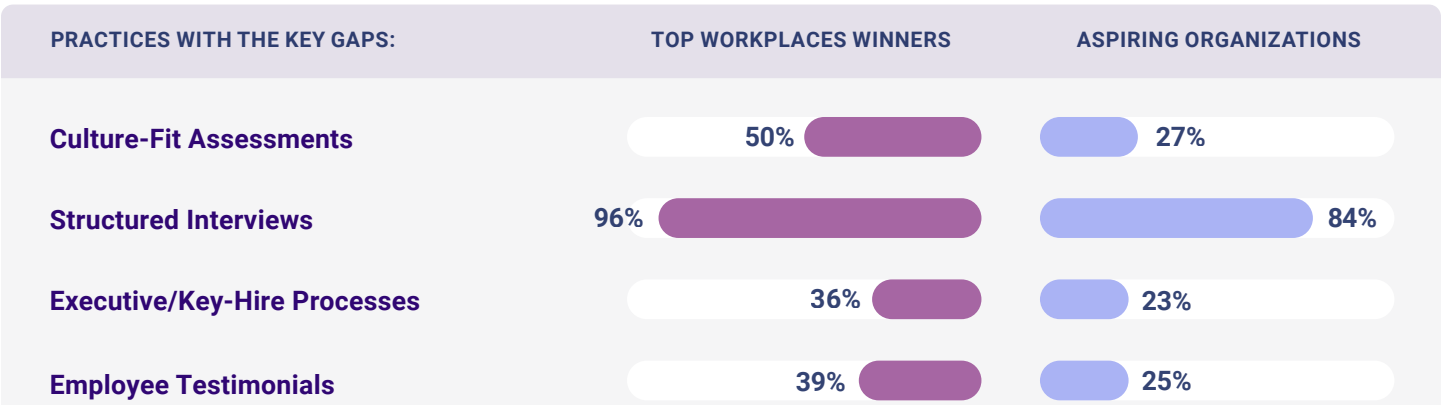
What Top Workplaces Do Differently

While most companies we surveyed have the basics in place, the data shows that some talent practices are much more effective than others. And when we looked closer at how Top Workplaces manage talent, a pattern emerged. These organizations have **built strength in a few key areas** that make all the difference, and they do it in ways that are **thoughtful, measurable, and aligned with culture**:

- 1 Hiring with culture in mind
- 2 Unlocking growth and performance
- 3 Investing in the talent pipeline

Employee Selection: Hiring with Culture in Mind

Top Workplaces start strong by making smarter, more intentional hiring decisions. They use tools like culture-fit assessments and structured interviews that go beyond skills and experience to evaluate long-term potential. They hire for values, collaboration, and alignment. At Top Workplaces, it's not about filling roles. It's about building teams that grow together.



CULTURE-FIT ASSESSMENTS

It's not just about who you hire, but how you hire them. Culture-fit assessments ensure new hires align with the values and environment of the organization, not just the job description.

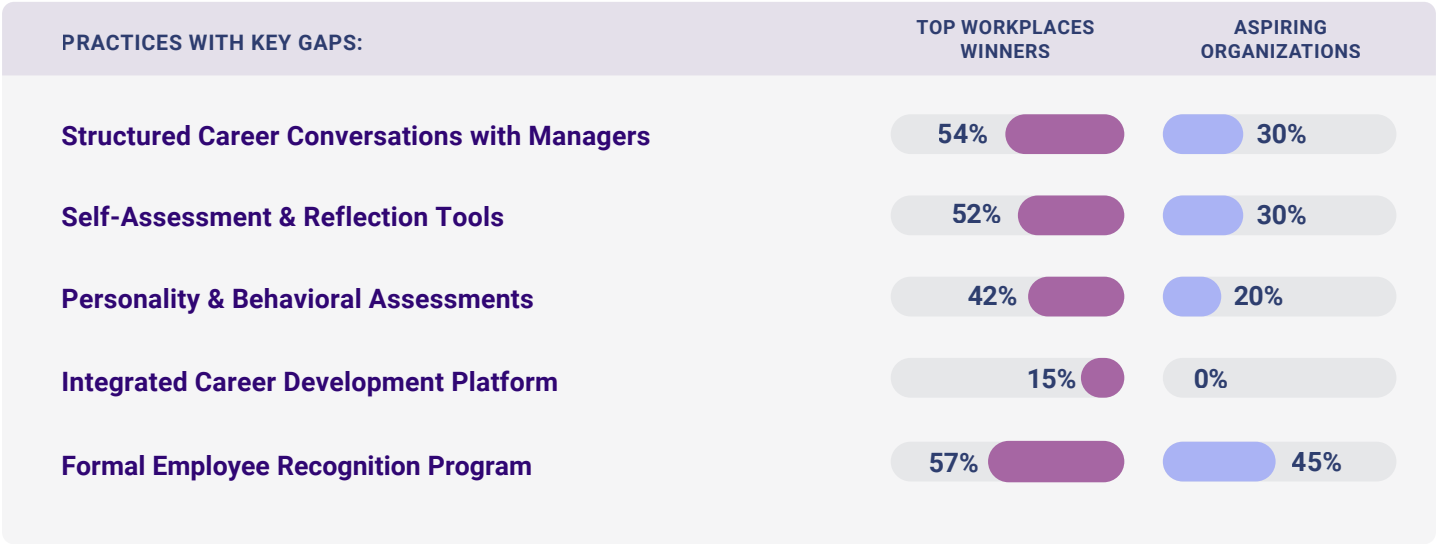


EMPLOYEE TESTIMONIALS

Employee testimonials give job seekers authentic proof of your culture, adding credibility to your employer brand.

Employee Development: Unlocking Growth and Performance

Top Workplaces go beyond foundational talent management practices to unlock potential for growth and performance. They're using things like integrated platforms, coaching with managers, and employee recognition programs to build a culture where people and performance thrive.



THE DATA SHOWS: Top Workplaces layer in formal employee recognition programs and peer feedback practices that **boost engagement and make great work more visible.**

STRUCTURED CAREER CONVERSATIONS WITH MANAGERS

Forget the once-a-year scorecard. Top Workplaces engage in recurring conversations between managers and employees that explore growth paths, strengths, and future opportunities.

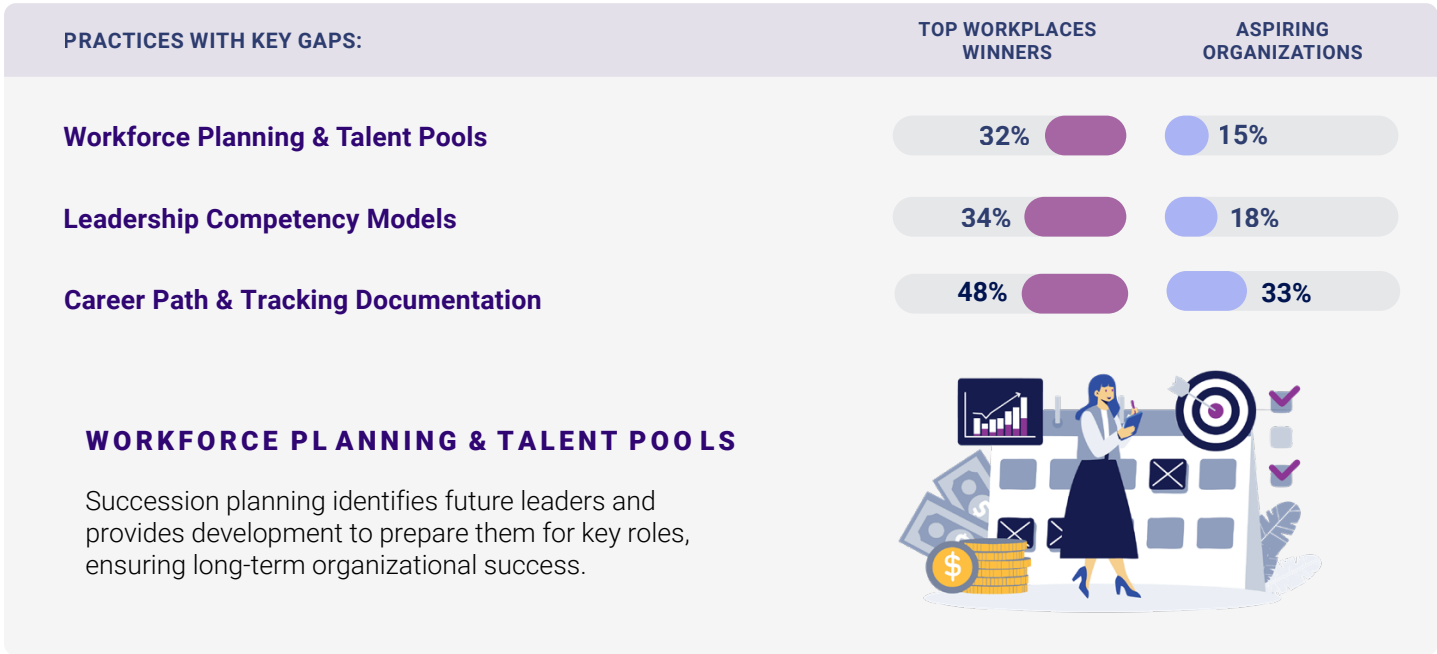


PERSONALITY & BEHAVIORAL ASSESSMENTS

A mature talent strategy includes tools like personality and behavioral assessments to help employees (and their managers) better understand how people work best – and where they want to grow.

Planning & Leadership: Investing in the Talent Pipeline

Top Workplaces don't wait until someone leaves to think about a replacement. They actively identify and invest in top performers early. This is where talent maturity really shines. Top Workplaces invest in practices like broad workforce planning, leadership competency models, and career pathing so they always know who's next.



What This Means for You

Whether you're focused on attracting the right talent, keeping your best people, boosting engagement, or building future leaders, this research uncovers what sets Top Workplaces from the rest. They consistently raise the bar in three key areas, even outpacing Aspiring Organizations. The good news is that these practices are well within your reach.

- 1 Employee Selection: Hiring with culture in mind
- 2 Employee Development: Unlocking growth and performance
- 3 Planning & Leadership: Investing in the talent pipeline

Knowing where your organization stands is the first step to creating a roadmap that puts you on track to perform — and be recognized — like the very best.

Emerging Practices to Watch (and Try)

The future of talent management is already here — it's just unevenly adopted. Top organizations are beginning to explore these emerging practices that could shape the next wave of high maturity:

Generative AI for Performance Feedback

Yes, it's early days. But some companies are experimenting with AI tools that help generate performance summaries, suggest coaching language, or synthesize feedback themes. Adoption is still low (~10%), but the potential is high, especially for organizations aiming to scale quality conversations.



THINK OF IT AS:

These tools don't replace HR — they empower it. Use technology to see further and act faster.

Predictive Analytics and Talent Planning

Think beyond dashboards. Advanced orgs are starting to use predictive analytics to anticipate turnover risks, identify top performers, and model workforce needs. It's not about gut feelings—it's about data-informed decisions that give you a head start.

What You Can – and Should – Do Next

STEP 1

Assess Your Maturity

The best place to start is knowing where you stand. The no-cost **Talent Maturity Index** assesses your current state and identifies where gaps exist. In under 30 minutes, you'll have a clear understanding of how you stack up to Top Workplaces and what to do next.

STEP 2

Start With the Basics, But Don't Stop There

If you're already doing annual reviews, engagement surveys, and performance goals in place, great. You've got a solid foundation. Now, it's time to build the rest. Add practices like:



Career pathing



Structured manager coaching



Survey action planning tools

STEP 3

Prioritize the Big Three: Hire, Grow, Plan

If you're not sure where to focus first, start here:



Improve your hiring process by incorporating culture as a factor.



Develop your people with real growth conversations, not just training.



Plan ahead by identifying future leaders before you need them.



THINK OF IT AS:

Top Workplaces succeed by being intentional, not exhaustive. They build systems that align with their culture and goals — and they stick with them.

Find Out Where Your Talent Strategy Shines ... and Where It Is Costing You

Get a **free Talent Maturity Index** assessment to see exactly where your organization stands and where gaps exist across seven key areas. In **under 30 minutes**, you will have a clear picture and the next steps to move forward with confidence.

[Get My Free Talent Maturity Index](#)



CORE PEOPLE FUNCTION	TOP WORKPLACES MATURITY AVERAGE	YOUR SCORE
Performance Management Practices	3.53	
Employee Selection Practices	3.95	
Recruiting Practices	3.70	
Employee Listening Practices	3.45	
Employee Action & Analysis Practices	2.95	
Employee Development Practices	3.32	
Workforce Planning & Analytics Practices	2.91	