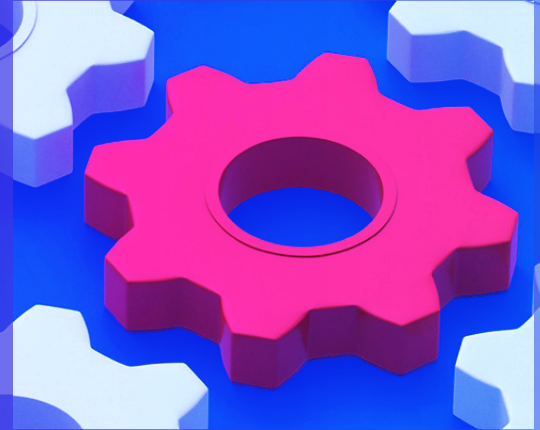


Talent management as major risk area for organizations

Soft controls play an important role in this key area for Internal Audit



As the labor market accelerates, talent management has become a major risk area for organizations. To address this risk, talent management and retention have been identified as key areas for Internal Audit in 2023. Soft controls can strengthen the organization's goals in terms of talent access and retention. In this publication we will evaluate these cultural factors.

Why this topic should be included in the internal audit plan

Conducting an audit on talent access, retention and performance management is essential to ensuring that organizations are able to attract, develop, and retain the talent that is needed to succeed. Gaining insight into these matters will ultimately help foster a culture of continuous learning and growth, leading to increased employee engagement and success.



What we will look at

We can help. During our performance and development audit, we will evaluate the organization's approach to talent recruitment and retention, as well as to talent management, performance and development. The latter includes examining how well the organization's talent strategy aligns with its objectives, whether ongoing performance and development conversations take place, and how talent is identified and managed. It also assesses the perceived link between remuneration and performance as well as the management of underperformance. How employees experience all of this is central to our approach. How they perceive recognition, opportunities for advancement and fair assessment is crucial to effective talent management. Our approach to soft controls is distinctive in this respect.

Assessing soft controls

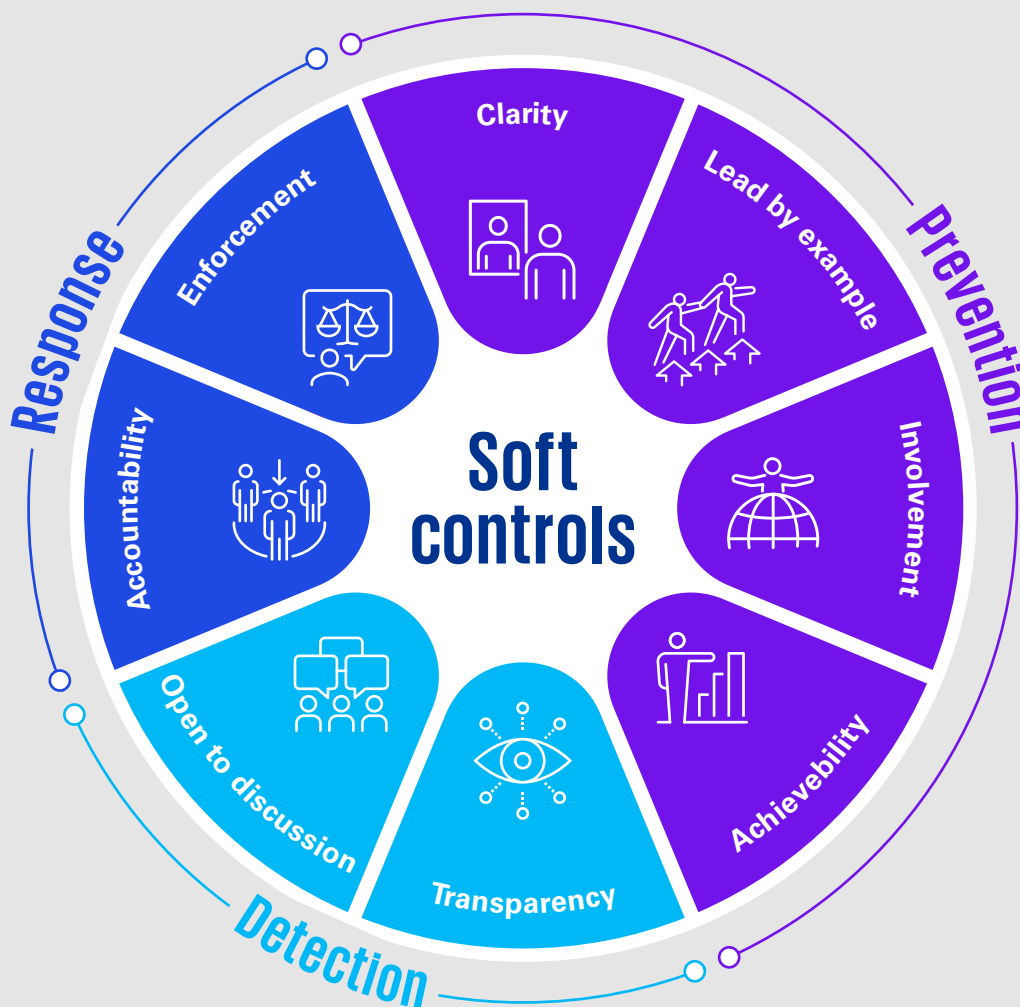
Soft controls are non-tangible factors that influence behavior in an organization, such as involvement, enforcement and transparency. Because we believe that soft controls can strengthen the performance and development cycle and the organization's goals in terms of talent access and retention, our team of experts will evaluate these cultural factors.

Strong and effective soft controls, as illustrated in the model, help to foster a sense of belonging and motivation among employees, which ultimately increases their commitment to their work and the organization.

Moreover, employees who feel valued and supported by their organization are more likely to be productive and to perform better. Embedded performance and talent management tools, like career development opportunities and feedback mechanisms, help to improve employee performance and contribute to the overall success of the organization. Our approach is to conduct a survey based on the soft controls

model, followed by in-depth interviews and validation sessions to gain a comprehensive understanding of talent management and retention including how this is perceived by the employees.

In summary, talent access, retention and performance management audits provide valuable insights into an organization's strengths and weaknesses, enabling management to make informed decisions to steer the organization towards achieving its goals. These audits delve beneath the surface of an organization's operations, identifying areas for improvement and highlighting opportunities for growth and development.





We are happy to assist you with any questions you may have regarding talent access, retention and performance management audits for your organization. Please find below the contact information of our subject matter experts.

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