

# Why California is Leading the Way with Talent

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One of the biggest challenges in any organization is attracting and retaining the best talent available. In a difficult economy, the employer controls the job market, as jobs are at a premium, and employees are willing to forego some job satisfaction for a stable job. However, with the economy in an upswing, employers are finding that even employees who are generally content with their work situation are exploring the job market – going on interviews, accepting offers, and asking for their employers to match offers that they are getting from competitors. Perhaps the most impactful and also the most challenging to satisfy are the millennials, who currently make up about 35% of the workforce<sup>1</sup>.

The undeniable leader in attracting and retaining millennial talent to its borders is California. There are a number of obvious reasons for this, from its pleasant climate, to thriving cities, to legislation that encourages career opportunities (no non-compete clauses). Beyond this, however, there are things that leaders can do to emulate what companies in California are doing to successfully recruit talent. So, what exactly is California doing to win the war on talent? Last week, the Harvard Business Review (HBR)<sup>2</sup> outlined some of the methods that companies in California are using to set the standard in leadership. Here are three ways you can apply what these businesses already know:

1. **Focus on innovation, not regulation:** We live in a time when startups reach billion dollar valuations in what seems like no time and companies like Google are creating products like Google Glass and self-driving cars. Your company's approach to leading these bright groups of talented people will determine whether they feel stifled and move on or stay and bring needed innovation to your company. There is little tolerance for unnecessary bureaucracy when there are other employers willing (and able) to snap up your brightest minds.
2. **Salary is only part of the picture:** Although salary is important, especially for attracting talent, the picture is emerging more and more that salary is not the be-all, end-all for millennials. In fact, the HBR says, "60% of graduating college students reported that they would prefer to work at a company with a positive social atmosphere, responsible production, and a fun work environment,

even if it meant earning a lower salary.” Leading talent has become much more about quality of life than the size of the salary.

3. **Encourage collaboration across generations:** Although the millennials are likely the fastest growing segment of the work population and may represent nearly half of the workforce in just 4 years<sup>1</sup>, the rest of the workforce cannot be forgotten. Many millennials are looking for mentors and would like to find it in their boss. To have the most successful and thriving workplace, there must be opportunities for collaboration across generations and the transfer of knowledge from the more experienced generation to the one who will be tomorrow’s leaders.

It’s a short trip from the inability to attract and retain talent to organizational insignificance. The need to successfully lead the next generation has never been more significant (as are the challenges). As leaders, it is incumbent upon you to ensure that your workplace is one that people will want to call home – not just until they find something better but for years to come. Let’s learn a lesson from California’s success and reinvent how your business approaches talent.

Sources:

1 <https://www.icims.com/hire-expectations-institute/for-employers/article-3-workforce-and-hiring-trends-in-2016>

2 <https://hbr.org/2016/01/why-california-is-such-a-talent-magnet>