

Identifying and Managing Talent

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For the purposes of this actionlist, talent is defined as a dormant or untapped quality to be accessed in the future, either in an individual employee or the collective body of employees. It is an indicator of the capacity to learn, as well as the speed with which a person or organization can adapt to new challenges.

The true art of managing talent is, first, to identify it and understand the context in which it can flourish, and then to provide proper investment, guidance and opportunities for it to grow. While the goal for the manager is to utilize individual talent, the goal of the executive is to turn that talent into profits for the company.

It should be noted that talent is not the same as educational achievement. Even someone with no learning may have lots of talent-many highly successful entrepreneurs have not had a formal education.

What You Need To Know

What's the difference between succession planning and talent management?

Succession planning is the end goal of effective talent management. One of the aims of a talent management program is to create talent pools that feed particular job classifications, focusing on the individual skills, competencies, and behaviors that make those jobs and employees successful in the future. Without talent management it is impossible to produce a meaningful succession plan.

Isn't talent management just an "other duties as assigned" activity that keeps the HR team occupied, rather than one of its primary functions?

Talent management should employ the resources of the whole management team, not just HR. HR can act as an internal consultant and help facilitate the process, but is not in a position (solely) to identify and develop talent appropriately. Executives and managers have the experience to know what skills are needed, and are also in the position to establish relevant programs for developing and managing talent.

How do you get tangible benefit from a talent management program?

Good talent management programs can add real benefit to the company by generating tangible amounts of enthusiasm, inspiration, and commitment, all of which are essential to business. They can also give rise to product innovation, creating new client relationships, and identifying different ways of achieving the overall business strategy. All of these things contribute directly to bottom-line profitability.

Is talent management really necessary, given the fact that people move from job to job so frequently?

Moving jobs is now a fact of life-there is no such thing as a job for life. Talent management, however, is like planting seeds in the garden-you put many seeds in the ground, even though you know that only a number will end up as fully-grown flowers. You need to plant talent, as well as prune, pick, and support it to make sure you end up with what you really want.

What To Do

Ask Yourself the Right Questions

Managing talent is rather like managing business strategy. You need to be objective and far sighted. Ask yourself:

- What is your business about?
- Where is it going?
- What does it need now?
- What does it need in the future?
- How are you going to get there?

Once you understand what market you are in, what products and/or services you are offering, and what the core competencies are that you need to meet current and future business objectives, you can see what talent you currently hold in your business, and whether there are any gaps. With proper management, talent enables your strategy to come alive.

Identifying Talent

Performance

Performance is a key indicator of the current levels of talent in the business. Performance indicators enable you to understand whether people are thriving in their jobs or not. People who are not thriving may be bored, in the wrong job, or they may not have the necessary support, resources, or skills to do the job.

Stretch Projects

Assigning new responsibilities-or an entirely new project-to an employee's normal job is a good way of exploring talent and pushing competence boundaries into new areas. This will often help to demonstrate hidden talent and an individual's capacity for new levels of responsibility.

Evaluation and Development

Using expertise either from within the organization or from external consultants, it is often valuable to evaluate employees' capability levels and their potential to grow. During these types of assessments, individuals are put through a range of tasks, both independently and as part of a team. They will demonstrate a range of behaviors and skills that allow managers to determine their potential for advancement, relative to the organization's goals.

After assessment comes development, and in this phase it is important to establish a context in which people can explore and understand their behaviors, and recognize how those behaviors are viewed by management. The outcome of the process might include a development plan that helps each individual manage their career, while enabling the organization to understand what resources will be needed to support the individual. Line management involvement is critical to the success of such a development plan.

It is recommended that a company employ a range of "talent-spotting" techniques, rather than relying on one particular approach, and there is a multitude of helpful products available. Psychometric tests, which gauge verbal and numerical reasoning (among other things) and Myers Briggs (which charts a range of personality traits) are among the array of pertinent products. There are just as many methods of assessing an individual's capacity to excel in a group setting, including role-plays, outdoor events, simulations, or management games.

Most importantly, the organization should always think about its long-term business strategy, and remember that high levels of employee talent lead to high levels of organizational flexibility, productivity, and profit. Having a variety of talent types-in other words, diversity-is important, and you should therefore be open to talent coming from unexpected quarters, and find a methodology objective enough to screen for it. Often, "high-fliers" are identified subjectively because they reflect something that a manager sees in him or herself... but this may not be the right choice for the company.

Managing Talent

Once you have identified your talent, you need to establish an effective method of developing and promoting talented employees. Managing these people requires focus, resources, and commitment.

Many organizations group their talent as follows:

- senior executives-potential future board members
- junior executives, management team members, and departmental managers
- "high fliers"-those likely to move into senior executive roles within 5-10 years

- professional level new entrants-college graduates and specialists, such as MBAs, attorneys, and accountants
- top performers in specific areas, such as sales or business development, who are given additional development training for future roles

Meeting the Needs of Talent Groups

For each talent group to develop, they will require:

- a senior executive sponsor, who will ensure that their needs are constantly monitored, and resources are available
- a management team, responsible for reviewing the program
- proper, regular, communication channels
- a suite of development programs which individuals may participate in over a period of time. These could include: internal or external education programs; leadership skills development; job sharing; job shadowing; coaching and mentoring; involvement in community programs, and so forth
- space and time to form self-learning groups, particularly across disciplines and cultures
- special projects that raise the visibility and credibility of an individual or group
- detailed development plans, with clear objectives and milestones that are reviewed regularly by line management and the sponsor

Organizational Issues

To ensure that the talent management program is being developed in the right way, a regular review should take place. The answers to this inquiry and review process should be used to revise the program if necessary.

Once an organization has succeeded in tapping into the talent of its workforce, the combined effect of motivation and learning can lead to quantum changes in performance.

What To Avoid

Short-termism

Organizations sometimes find it hard to look to the future when the present is so demanding. Obviously, short-term responsibilities to customers and clients must be met, but not looking ahead could leave a business stranded in future if they do not manage their talent well. Align talent management programs with long-term business strategies to get the best of both worlds.

Not Using a Collaborative Approach for Identifying and Developing Talent

Many organizations rely on one source of information for identifying and developing talent. For example, a one-time review or personnel memo early in an individual's career, may not have been positive and could impede their advancement. Likewise, a poor departmental performance record in the past may prevent a certain group from being considered for a larger future role. A collaborative approach, using a variety of methods and regular reviews, will prevent this from happening.

Organizations find this a challenging, costly, and laborious task, and will avoid it until such time as it becomes essential. The best way to deal with this is to start where you know it is going to add the most value.

Getting executive and management team "buy-in" assures that the program will be given sufficient time to prove itself valuable. Too often, half-hearted endorsement at the beginning results in the program being eliminated unrealistically early. This makes it difficult for managers in future years to have the latitude to develop other innovative programs.

Where To Learn More

Books:

Michaels, Ed, Helen Handfield-Jones, and Beth Axelrod. *The War for Talent*. Boston, MA: Harvard Business School Press, 2001.

Pepitone, James S. *Human Performance Consulting: Transforming Human Potential into Productive Business Performance*. Houston, TX: Gulf Professional Publishing Company, 2000.

Seagal, Sandra, and David Horne. *Human Dynamics: A New Framework for Understanding People and Realizing the Potential in Our Organizations*. Waltham, MA: Pegasus Communications, 2000.

Tulgan, Bruce. *Managing Generation X: How to Bring Out the Best in Young Talent*. New York: W.W. Norton & Company, 2000.

Web Sites:

International Institute for Management Development (based in Switzerland, but with ties to U.S. academic centers including MIT and Sloan): <http://www02.imd.ch/infocentre>

Knowledge Pool: <http://www.usa.knowledgepool.com>