

Identifying, Managing, and Nurturing Top Talent

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Talent is an indicator of one's capacity to learn, grow, and develop new skills for future use. It also suggests how quickly a person or organization can adapt to new challenges. In this article, "talent" is defined as a dormant or untapped quality that lies either in an individual employee or the collective body of employees.

The true art of managing talent is, first, being able to identify it and understand the context in which it can flourish, then providing the proper investment, guidance and opportunities for it to grow. While the manager's goal is to make the most effective use of someone's talent, an executive's goal is to translate that into profits for the company. Below we look at how the search for talent fits within an overall management development strategy.

What You Need to Know

Is there a difference between succession planning and management development?

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

Should management development be a primary function of the HR team?

Developing talent should employ the resources of the whole management team, not just the human resources staff. HR can act as an internal consultant and help facilitate the process, but it is not in position to single-handedly identify and appropriately develop talent. Operating executives and managers have the experience to best know what skills are needed. They also are in position to establish relevant programs for developing and managing talent.

Can talent management programs yield tangible results?

Yes. They can bring real benefits to a company by generating tangible amounts of enthusiasm, inspiration, and commitment, all of which are essential to business. They can also help promote product innovation, create new client relationships, and identify different ways of achieving the overall business strategy. All of these activities, of course, contribute directly to bottom-line profitability.

Is management development really necessary given how frequently people change job these days?

Changing jobs is now a fact of life and it's rare to find a "job for life" any more. Management development, 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, then prune it, nurture it, and harvest it to make sure you end up with what you really want.

What to Do

Make Sure You Ask the Right Questions

Management development is rather like managing business strategy. You need to be objective, thorough, fair and far-sighted. Refresh your memory about:

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

If your business has grown or changed direction over the years, thinking through these key questions will help you both root yourself firmly in the present and look clearly at the future. Once you understand the market you are in, the products and/or services you are offering, and the core competencies that you need to meet existing and future commercial goals, you'll be able to examine the talents you currently have in your business, and spot any gaps. If it is managed effectively, talent will bring your strategy to life and help you meet your goals.

Identify Talent Already Within the Organization

Looking closely at the talent pool already at your disposal is the next important step. You can monitor it by examining:

- *Performance.* How a person performs is a key indicator of the current talent levels of any business. Performance indicators enable you to understand whether or not people are thriving in their jobs. If they're not, they could be bored, in the wrong job altogether, or not have access to the support, resources, or skills they need to tackle the tasks they've been given.
- *Stretch projects.* Assigning new responsibilities—or an entirely new project—to an employee is a good way of assessing talent and pushing competence boundaries into new areas. This will often help to demonstrate hidden talent and an individual's capacity to shoulder new levels of responsibility.
- *Evaluation and Development.* Using expertise from within the organization or from external consultants, it is valuable to formally evaluate employees' capability levels and their potential to grow. These types of assessments put individuals through a range of tasks, both independently and as part of a team. In the process, they demonstrate a range of behaviors and skills that allow managers to determine their potential for advancement within the context of the organization's goals. After assessment comes development. In this phase, it is important to establish a context for people to explore and understand their own behaviors, and to recognize how management views those behaviors. The outcome of this process might include a plan that helps individuals manage and develop their careers; such an effort will also help the organization understand what resources will be needed to support each individual. Line management's involvement is critical to the success of any development plan.

Spread Your Net Wide

Experts recommend that a company employ a variety of "talent-spotting" techniques rather than relying on one particular approach. A multitude of helpful products are available, such as psychometric tests which examine verbal and numerical reasoning (among other skills), or the Myers-Briggs "inventory" charts which look at personality traits. Assessing someone's capacity to excel in a group can be gauged by role-playing, simulations, outdoor events, or management games.

No matter what method it selects, an organization should always keep in mind 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 diverse talents is important, so be open to talent that comes from unexpected sources and find a methodology objective enough to screen for it. The "high-fliers" often are identified subjectively because they reflect traits or backgrounds that their managers see in themselves, but it may not be the best way for a company to identify its future leaders.

Help Your Top Prospects to Develop and Grow

Once you have identified your talented employees, you need to establish an effective method of developing and promoting them. Managing these people requires focus, resources, and commitment. Many organizations group their talent in this way:

- *Senior Executives*: potential future company officers and 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, and top performers in specific areas such as sales or business development who are given additional development training for future roles.

For each talent group and its individuals to develop, make sure your organization has in place:

- *senior executive mentors* who will monitor your prospects’ needs and provide resources and support to help them develop;
- *a management team* responsible for reviewing the program itself;
- *clear communication channels* to encourage feedback and consultation;
- *development programs* for individuals to participate in over a period of time, such as mentoring, coaching, job sharing or shadowing, or taking part in community programs;
- *detailed development plans* with clear objectives and milestones that are examined and adjusted (if necessary) on a regular basis by mentors and supervisors.

Assess Your Development Program’s Progress

Regular reviews of your management development program will make sure it is delivering the results you want. Use the information you collect during the reviews to revise the program if you need to. Once your business has been able to tap into the talent of its workforce, the combined effect of motivation and learning can lead to quantum changes in performance.

What to Avoid

You Don’t Think Long-term

Organizations sometimes find it hard to look to the future when the present is so demanding. Clearly, a business has to meet its short-term responsibilities and obligations to customers and clients. Even so, *not* looking ahead could leave it stranded in future—or without a future—if it does not manage its

talent well, especially its most promising “up and comers.” Align talent management programs with long-term business strategies to get the best of both worlds.

You Rely on Just One Talent-hunting Approach

If one way of identifying and developing management talent has worked for an organization in the past, it can be difficult to encourage people to try new route. Things change, however, and it's essential that your business opens itself to new ways of thinking. In addition, be ready to change the way you look after the staff you have already. How many people will want to work for a company where one negative review or personnel memo early in their career can still impede their advancement as they mature and develop their skills? Likewise, one low performance mark may hinder a given department and its members from being considered for a larger future role. A collaborative approach, using a variety of methods and regular reviews, should prevent this from happening. Some organizations find this challenging and costly and will avoid it until such time as it becomes essential. The best way to overcome such inertia is to start where you know it is going to add the most value.

You Provide Too Little Advance Support, and Too Little Time

Any talent-building program will need time to bed in and prove its value, so it's essential that the top management team are behind it and prepared to let it settle down. Too often, half-hearted or insincere endorsements early on doom a good program to elimination long before it can realistically begin paying dividends. This also can make it difficult for managers in future years to have the latitude to develop other innovative programs. Management development is no quick fix. Don't expect it to be.

Where to Learn More

Book:

Thorne, Kaye and Andy Pellant. *The Essential Guide to Managing Talent: How Top Companies Recruit, Train & Retain the Best Employees*. Kogan Page, 2007.

Web Site:

International Institute for Management Development: www02.imd.ch/infocentre

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