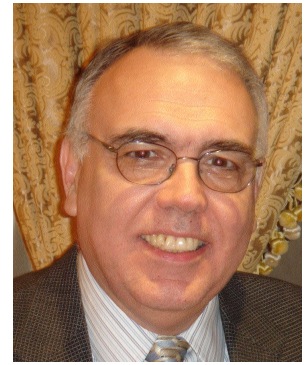


Keeping the Grass Greener on Your Side of the Fence The Challenge of Talent Management

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The following article is based on a panel presentation at The HR Network Breakfast on May 2, 2008. The HR Network is sponsored by The Five O'Clock Club and is a vendor-free venue for HR professionals to meet informally, network with one another, and hear discussions of important issues of the day.

The panelists were William (Bill) Pasmore, Ph.D., the Organizational Practice Leader for the Center for Creative Leadership; Renee Russell, Executive Director of Global Talent Development at Avon Products Inc; and Tara Stevens, VP/HR, Consumer Media Group, Dow Jones & Company.

The Breakdown of Two-Way Loyalty

Five jobs in ten years on the résumé? Clearly, not a good sign. Most HR officers like to see stability and loyalty in prospective employees. The ideal is to hire candidates who look like they might stick around for a while. Hence, the time-honored question asked by corporate recruiters and hiring managers often is, "Where do you see yourself in five years?" Even before the job-person match has been established, they want to assure themselves that they won't be recruiting for the position again in a year or two—or even in a few months.

Never mind that corporate loyalty to employees doesn't have to meet this standard. Candidates are not allowed to ask, "How can I be sure you won't toss me out before the five-year mark?" It's

an axiom of the workplace today that long job tenure is a thing of the past. No matter how clever you may be in responding to, "Where do you see yourself in five years?" (you know, come up with an answer about growing with the company), organizations will always look out for their own interests and the health of their bottom line—no matter how long you'd like to keep your job. Employees are expendable...at least that's a common assumption.

All employees should be aware of the ongoing transformation in HR.

The Decline of Cynicism?

The headlines may appear to confirm the pessimism of employees about the reemergence of job stability, but the situation probably is not as bleak as some may imagine, and the trend will probably favor career-minded professionals. These days when hiring managers ask about a candidate's five year vision, they may be more serious about

getting a serious answer—and helping the new hire not only fit in, but also move up over the long haul. It's not fun and it's not cheap to recruit, hire and train new people. There is growing appreciation for this truth: once you've got really great talent on board, self-interest and the health of the bottom line are enhanced by managing that talent optimally. If you're working for a smart employer these days, "they don't care about me" may be out-moded cynicism.

Of course, when the economy is in trouble, earnings are down and running lean is the rule, cutting staff may be unavoidable. Hence, when layoffs are all over the news, employees hunker down, fearing the worst and job hunters panic and run for cover. The conventional wisdom about uncaring companies appears to be confirmed. But cycles in the economy don't eliminate the need for corporate wisdom and the imperative to think long-term and strategically. As one workplace analyst has stated: "We know as HR professionals that times will get better, the pendulum will swing back and our concern will again be the war for talent, and the strength



Talent management proved to be a hot topic to over 150 HR professionals. They socialized before the event.



Kate Wendleton considers talent management as a pillar of The Five O'Clock Club.

of our talent pipeline. We should help our organizations to think about how to prepare for that, even while we

may be preoccupied for the moment with surviving the rough patch.”

The Bigger Crunch to Come

Anyone paying attention can see what's coming. There have been warnings issued by people who are paid to worry about how the workplace will evolve in the next couple of decades.

- From the 10th Annual Global CEO Survey conducted by Price Waterhouse Coopers: “The global war for talent is fierce and growing fiercer. In our view, global companies are undergoing a transition in how people are valued. Once thought primarily in terms of cost, people in successful global companies are valued as rich sources of talent, skill and diversity, which are critical to the success of the enterprise.”

- From the Corporate Leadership Council: “The Bureau of Labor Statistics states that the U.S. economy will have six million more jobs than people to fill them because of Baby Boomer retirement.”

- From a Deloitte report: “In China, the single-child policy has led to a deficit of skilled workers. In the United States, Germany and Japan, the percentage of students graduating with science and engineering degrees hovers in the single digits.”

- According to Bersin & Associates: “Our research clearly showed that the Number One talent problem that organizations are facing today is gaps

in their leadership pipelines. Organizations are struggling to hire, develop, coach and build managers.”

These realities have prompted one labor analyst to conclude that we face “a perfect business storm, comprised of an ageing workforce, new values among younger workers and worldwide economic growth.”

When the Baby Boomers retire they will leave a 6 million gap in the workforce.

Recruiting to Retain and Nurture

In recent years retention has become a hot topic because corporate leaders see the implications of such warnings, and because, in such a climate, it's common sense that keeping people is better than losing them (whether or not the war for talent is a primary concern at the moment). Many companies offer a rich menu of benefits and perks to “make this a nice place to work,” e.g., good pay and retirement plans, a people-friendly corporate culture and sensitivity to the work-life balance. Some other companies fall far to short, and may hemorrhage good employees.

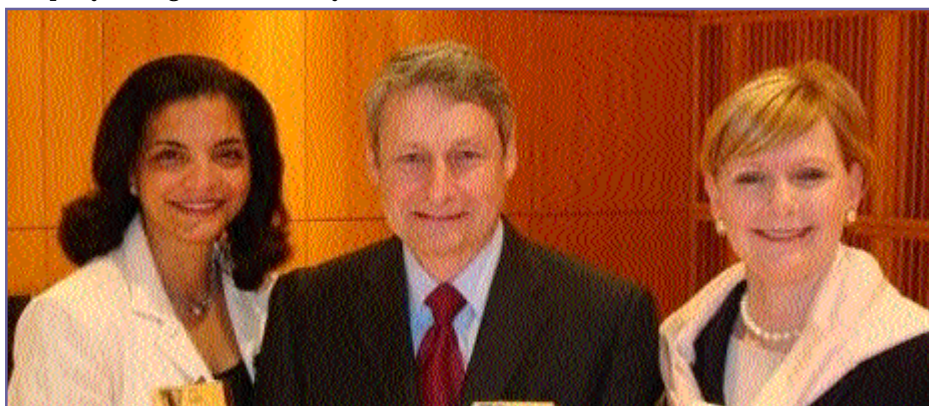
But good talent management requires retention practices that reach to a deeper level than just making this a nice place to work. There may be a huge variety of reasons that people job hop—yes, to get more money, to find a

saner boss or a better environment, or to land a job that's more enjoyable. But there's also the career satisfaction factor: “Am I getting ahead in a meaningful way?” People may genuinely feel that they want their careers to align well with the goals and destinies of the companies they work for. And that becomes the primary challenge of any sound talent management strategy. If you ask during the interview, “Where do you see yourself in five years?,” then your primary worry should not be about tenure, but about making sure that the person's skills and ambitions have found a fertile environment. It's up to you to keep people for five years!

Is Top Management Tuned In?

Of course, astute HR professionals know that they should play a leadership role in helping their organizations to keep the grass greener in their patch of the corporate campus. As those responsible for the human capital, they can be the voice on the management team pushing for the creation of optimum career settings. It's not hard to find management teams who want to their companies to be welcoming and rewarding—it's very nice to be put on the list of the hundred best places to work. But in gearing up for the bigger crunch to come, one of HR's primary concerns should be that the talent on board will be truly well managed.

Executives at the top who obsess about the bottom line—as they



The Dream Team of Panelists (left to right):

Renee Russell, Executive Director, Global Talent Development, Avon Products Inc.; Bill Pasmore, Ph.D., Organizational Practice Leader, The Center for Creative Leadership; Tara Stevens, VP, Human Resources, Consumer Media Group, Dow Jones & Company



Renee Russell, Executive Director of Global Talent Development at Avon Products, Inc.

should—may be accustomed to thinking that hiring well means achieving a good job-person match, with the vague expectation that the person will grow and get ahead. But talent management, as it will likely be understood in the years ahead, means much more than this, and depends on executive buy-in. As one expert has put it: “Having a CEO who ‘gets it’, who understands talent management—real talent management—is critical. This means that, even during hard times, such an investment will continue to be made on this front.”

But HR must be proactive and savvy. Says one expert with experience in helping executives get it: “We in HR have to go to the top leaders, rather than expect them to come to us. Even though they say that talent management is their number one concern, we can’t just dive into the discussion of programs, courses and other things we are excited about to build talent. We have to speak their business-grounded language first. For example, ‘Okay, I want to make sure that I understand our business challenges. What are the strategies we’re trying to execute? What will success look like in your eyes?’ With that understood we have a better chance of designing the suitable leadership development architecture. We have to play it back in the language of the executive suite. HR has to understand the strategy and the business. Talk in their language, address their needs.”

The Pillars of Talent Management
The Center for Creative Leadership

(CCL) uses the term Talent Sustainability, and has researched the topic extensively. It defines Talent Sustainability as

“...the work of designing and implementing the strategies, culture, systems, and processes” for developing the employees that companies hire.

And what are the prerequisites for making this happen? At the very head of the list is commitment by top management; it describes executives who get it as those “who believe that talented employees are critical for organizational success, who are directly involved in talent management work, and who ensure that their organization has effective talent management practices in place.”

According to the CCL, talent sus-



Tara Stevens, VP/HR, Consumer Media Group, Dow Jones & Company

tainability is built on several other pillars as well, and HR professionals should take note—because most of these, as described by C. McCauley, R. Smith and M. Campbell, relate to HR competencies:

- **Critical Talent Identification, Development, and Succession:** Identifying what type of talent is most critical to implementing the organization’s strategy, continuously developing such talent, and moving it into roles where it is most needed.
- **Learning and Development:** Creating opportunities for employees to enhance their capabilities and connections with others within the organization—through feedback, reflection, coaching, mentoring, developmental



Bill Pasmore, PhD, Organizational Practice Leader, the Center for Creative Leadership

assignments, and formal programs.

- **Competency Model Development and Deployment:** Delineating the competencies needed in employees and using the resulting competency models across talent processes.

- **Sourcing and Recruiting:** Developing reliable sources of talent for the organization and practices for attracting that talent to the organization.

- **Rewards and Recognition:** Using formal and informal rewards to align employee behaviors and activities with organizational strategies and to build a committed workforce.

- **Performance Management:** Setting performance standards, monitoring employee performance, providing feedback and support for performance improvement, and firing employees who cannot meet standards.

- **Knowledge Management:** Developing and making accessible the shared knowledge, expertise, and collective wisdom across the organization.

When we try to get approval for talent management programs, we must use the language of the executive suite.

Hammering It Out in Real Life

These pillars would appear to be an ideal blueprint for achieving talent sustainability, and are based on the understanding that bosses (and their bosses)

will make decisions about the career potential of those in the talent pool. For example, those on the right side of the bell curve (theoretically, at least, the brightest and the best) would commonly be selected for special attention and nurturing. But how do people react? One study of such folks attempted to gauge the feelings and reactions workers who had—one can fairly assume—grown up in a world in which little trust was put in employer loyalty. The researchers were curious about:

- “What does it feel like to be a person who is targeted for development?”
- “Do employees really believe that the organization is serious about them, their development and their futures?”
- “Do employees really believe it when an organization says that ‘talent’ in the Number One objective—or is it considered a lot of lip service?”
- “What is it like to be in the pipeline? What is the ‘view from the pipe?’”

When one class of CCL high potential graduates was queried along these lines, the results were as follows:

- 91 percent said that they were very committed to their organizations. Even so....

- 20 percent admitted that they were looking for new jobs. In other words, a certain number seemed to doubt that there was truly a future with the current employer. Fully one-fifth were unmoved by the being identified as top talent.

- 82 percent believed that their organizations should invest more in talent development.

- 98 percent said that they loved their jobs—and were motivated by what they were doing.

- 64 percent said that they were mentored by their by senior managers. The CCL researchers were surprised: “This is more than we thought. The senior managers are trying—we have been saying for a long time that this is a good idea.”

- 73 percent said that they get developmental assignments, that is, projects that help them grow—and they get more of them than other employees.

But, Human Nature Being What It Is...

In such a campaign to identify and nurture the brightest and the best, what about those who fall on the left side of the bell curve, those who are not identified as stars or potential stars? They are

a vital part of the workforce, too, but what does it mean to them not to be selected for choice roles and career development? “Not surprisingly,” according to one study, “those who are not identified as high potentials are likely to seek employment elsewhere. Even people who aren’t sure of their status in the eyes of management are inclined to look for other jobs. The high potentials are loyal; they are not likely to jump ship.”

A study revealed that 20 percent of high performers are looking for new jobs.

But if nothing else, studies of various employee groups reveal that managing human emotions and reactions in the workplace has become exceedingly complex—surely a headache for leaders who want to maintain a healthy, productive and competitive workforce. For although high potentials appreciate the designation, there is a downside, which one researcher summed up as follows: “High potentials may say, ‘I appreciate the recognition, but now I am a little concerned about my ability to prove myself. It does strengthen my dedica-



There was a lot to learn about managing talent from this heavy-hitting panel — and the audience had much to contribute as well.

tion to the organization, but I am not sure I deserve the honor. It is gratifying and humbling at the same time. It is extremely complimentary, but it is also stressful. What is expected of me? We are good at nominating people. We are not so good at helping them to understand what being in the pipeline means—and where it may be leading.”

Profiles for the Brave New World

The globalization of the economy, the imperative to be competitive, and the collisions of workforces in the wake of mergers—all these have raised the bar for the kinds of talent needed to survive and thrive. One senior HR specialist who has been at the center of more than one corporate storm reflects on the standards that emerged from a huge merger: “Those executives who were selected to stay on by a new senior management team have records of excellence in three areas:

- They have strong management skills. They are inspiring, motivating, natural leaders.
- Secondly, they possess business acumen; they are sound decision-makers with a deep knowledge of their industries—and other industries.
- Thirdly, they have the ability to execute effectively. They get results and they get them quickly. A premium was put on talented risk takers who can accelerate change.”

And the mandate for HR is to be on the forefront of managing talent and enabling excellence, throughout the economic cycles. “During the good times,” this HR expert continued, “we think of robust growth, and money to invest and expand. We think of good leadership and positive corporate cultures, leadership stability at the top and throughout the organization. There also usually is an innovative creative environment for creating new revenue streams and growth possibilities.” HR faces the talent management mandate in bad times as well, although the challenges during bad times are, of course, different: “The economy may be in free

fall, your company is bought or sold, there are changes in top management—and usually other crises to cope with. There are hiring freezes, making do with what you have and always feeling under stress. Or even in good times a company may be saddled with bad management, which equates with bad times.”

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The Resources Available

Any HR professional who wants to wear the talent management hat—who wants to add this specialty to his/her toolbox—will appreciate the rich resources that have merged in recent years. Two publications of the Center for Creative Leadership would probably be basic for your HR library:

- *Developmental Assignments: Creating Learning Experiences without Changing Jobs* by Cynthia McCauley, and
- *Eighty-eight Assignments for Development in Place* by Michael M. Lombardo and Robert W. Eichinger.

But these are just a beginning. The CCL website is worth exploring for many other resources: www.ccl.org.

And while SHRM and the American Management Association may come to mind, as well as resources, one expert points out that the Gallup organization has done work that sheds light on human talent: “Gallup has done more than two million interviews worldwide in the last 30 years about what it takes to succeed, and how people develop excellence in what they do. The Gallup people interviewed the world’s best teachers, doctors, sales people, lawyers, athletes, stockbrokers, accountants, hotel housekeepers, nurses, clergy, systems engineers and chief executives—to name just a few. They found diversity of talent, knowledge and skills that they distilled into thirty-four themes that

constitute the common denominators of human talent.” The tab called Economics and Management at www.gallup.com will display many categories that all will find helpful.

And don’t overlook the obvious: a Google search on talent management quickly reveals how much work is being done in this area.

A Final Thought: Discovering Each Person’s Unique Gifts

A senior HR executive tells the story of a boss who was “brilliant at creating focused, yet fun and energizing environments. It turns out that one of his greatest strengths was empathy. He could pick up on the feelings of each person—whether a frustrated customer or a colleague resisting change. He could make people feel heard and understood. He could not help responding to the emotions he saw. When this talent was pointed out to him, he said, ‘anyone can do this.’ What was so easy and obvious and natural to him was also invisible to him. Our natural talents are second nature to us—they are automatic.”

The lesson for HR? “I would encourage you,” this specialist concluded, “not only to work on the formal programs and courses and projects to meet development needs, but just look carefully at the people in front of you. Don’t hesitate to help them get in touch with their natural skills that they love to use, and maximize those.” ●



Networking was intense due to the importance of talent management to HR.