



## Unit 3

# Talent Development within an Organization

## Learning Outcomes

**By the end of this unit the learner will be able to:**

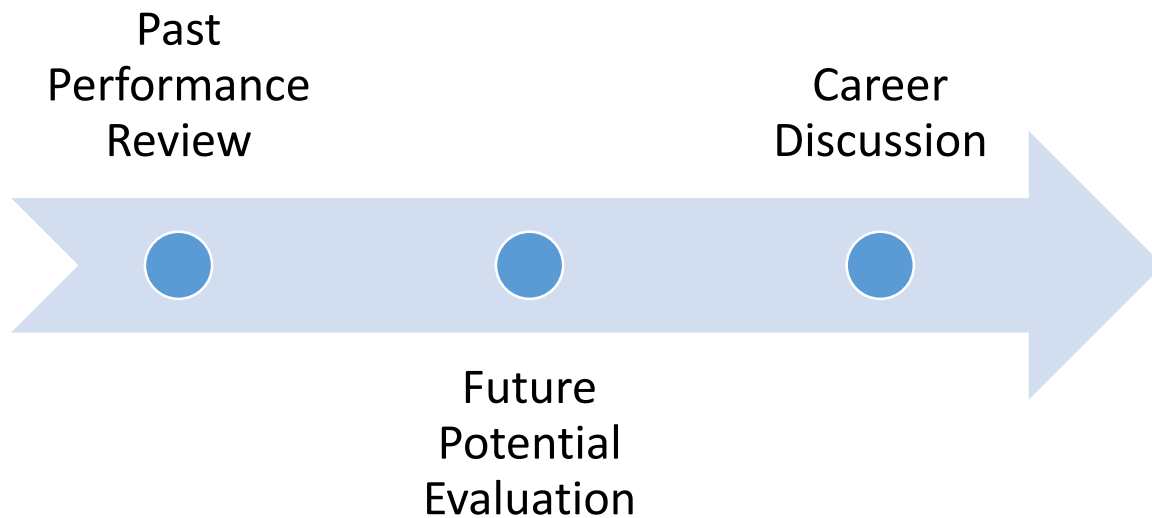
- ✓ Explain the principles of competency-based management
- ✓ Use the language for talent management

## Unit 3

### Talent Development within an Organization

#### A Three-Phase Process

There are three components to conducting a talent assessment:



#### Past Performance Review

Gather information about the employee's past performance with the organization, including:

- Performance appraisals and evaluation
- Business results and accomplishments
- Diagram of their career track inside and outside the organization
- Lessons learned and applied
- Training and learning that they have participated in

#### Evaluation of Future Potential

Consider:

- Their ability to learn, think strategically, and adapt
- How they cope with stress, uncertainty, and change
- Their ability and desire to move laterally and vertically
- Their leadership and communication skills

### **Career Discussion**

You must have a discussion with the employee. Key questions will include:

- What do you see as your biggest success in your career? In the last year?
- What was your biggest mistake in your career?
- What lessons did you learn from that mistake? How can you show that those lessons have been implemented?
- What have you done to continue learning and growing?
- Summarize your three strongest and three weakest skills. How are you building on those skills?
- Where do you see yourself going in the company?
- What is your timeline for getting there?
- Are you willing to relocate?

Make sure that you review their career track and any other information that you have gathered to make sure it is accurate.

Also note that talent assessments should be performed on a regular basis (annually at minimum), just like performance reviews.

### **Recording Information**

All of this information will be brought together to create an individual's talent profile. Ideally, your organization should develop its own talent management profile form, so that information is gathered consistently.

This profile should include:

- Basic details such as name, age, gender, position, supervisor, location, and years with the company
- Education details, including college/university, training, certifications, and industry memberships
- Internal and external career chronology
- Relevant volunteer work
- Languages spoken and written
- Willing to relocate?
- Significant accomplishments and business results, including publication credentials
- Top three strengths and weaknesses
- Lessons learned during their career, and how those lessons were applied
- Three challenges they think they will face in the next six months, or three development actions they plan to take in the next six months
- Performance and potential ratings performed by supervisor (see next session for scale)
- Potential successor positions and readiness rating (now, one to three years, three to five years)

- Any other related scores, such as performance assessments, 360 feedback, competency evaluations, etc.

Make sure that the information is gathered and stored in line with your organization’s privacy policy.

**Sample Form**

Use the space below to design a basic talent profile form for your organization.

**Compiling the Results**

An accurate, complete talent profile will give you a consistent picture of each of the individuals in your talent pool. You can also use their Performance and Potential scores to plot each individual on a grid and evaluate the resources needed for their current placement.

		POTENTIAL			
		Problematic	Good Fit	Expandable	High Potential
PERFORMANCE (Last 12 Months)	Significantly Exceeds	<b>B</b>		<b>A</b>	
	Exceeds				
	Completely Meets	<b>D</b>		<b>C</b>	
	Incompletely Meets				

Here’s a sample development plan that relates to the grid.

	Development Plan
<b>Group A</b>	Placed on accelerated development plan; high visibility in talent management plan
<b>Group B</b>	Resources dedicated to ensure stability is maintained
<b>Group C</b>	Resources dedicated to improve performance
<b>Group D</b>	Individual will be monitored to determine future within organization

## Keeping People Interested

### Understanding Abilities and Aspirations

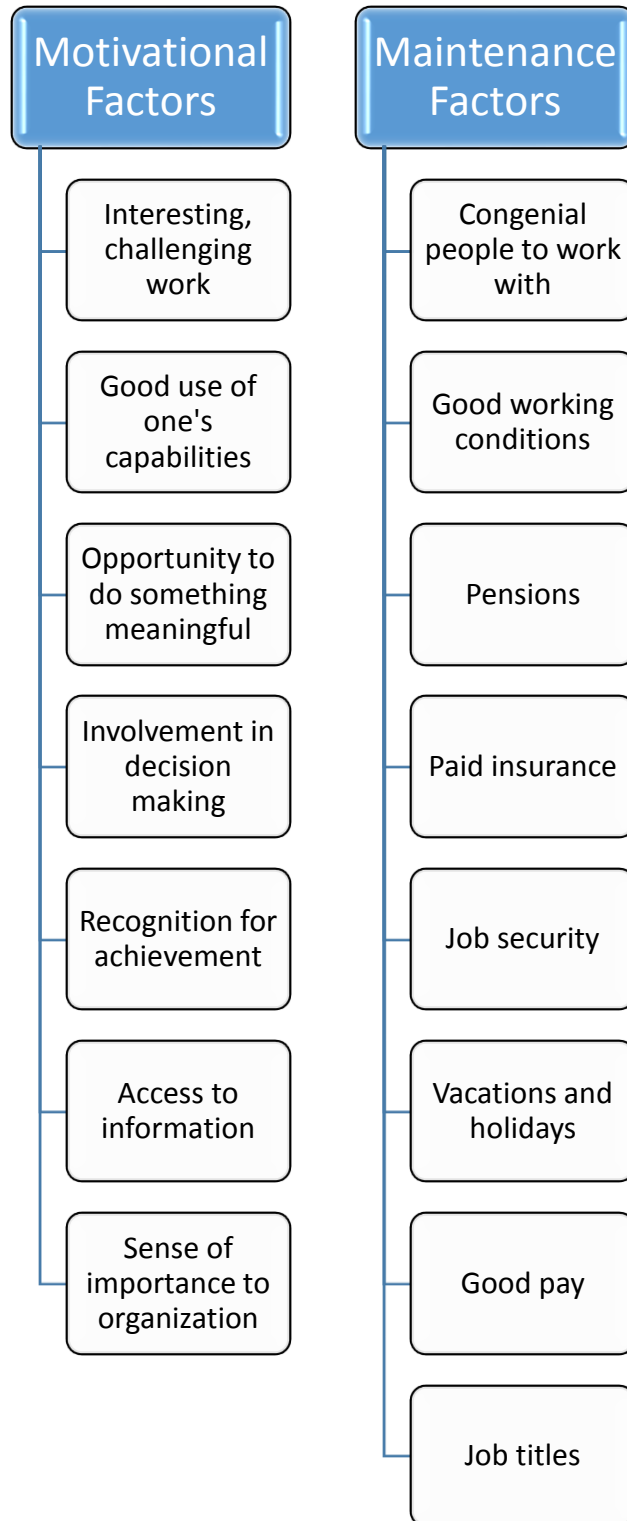
People with high potential have two key attributes: the aspiration to move ahead in their careers and the ability to do so.

Somewhat more difficult is motivating people and encouraging their desire for career advancement. Psychological theories of motivation can help us with this.

### Maslow's Classic Hierarchy of Motivational Needs



### Herzberg's Motivational versus Maintenance Factors



**Why do you think there are so many theories on motivation?**

Human behavior is very complex and no single theory seems to explain all human behavior. Theories are essentially different sets of glasses for looking at life. Some glasses seem to provide a better view of some things but don't seem to work as well for at other things.

The purpose of this session is not just to learn theories, but to become more aware of different ways of looking at motivation. The more ways we can look at something, the better the chances that we will get a good understanding of it.

**Case Study: Jim's Job**

**Case Study**

Jim graduated from the top of his class at Acme University in 2020 with a master's degree in biosciences. He was excited to go work for Newco Laboratories, a leader in the field, and Newco was excited to have him. They paid him the most that they could afford, gave him a month's vacation, and ensured he had the best office and laboratory.

Despite all of this, Jim felt underappreciated at Newco. Within three months he was talking to headhunters, and within six months he had relocated to another laboratory halfway across the country – even though he didn't want to leave the area and the new company paid him less money. Both parties were upset that Jim's job didn't work out.

**Discussion Questions**

**What went wrong at Newco?**

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**What could Newco have done to keep Jim?**

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### Keeping Superstars from Falling

Let's say you have a high performer on your team and most people on the executive team see this person as CEO within ten years. That's great – but what does the high potential do in the meantime? How do you keep your superstars motivated so that they stay happy, and stay with the company?

To begin with, you must realize that most high performers are not motivated by money or tangible things. Many superstars (like many Hollywood stars) suffer from insecurity, and are superstars only because they strive so hard to be recognized.

Use the following management techniques to reward and motivate your top players:

- **Choose your battles.** Hollywood directors give into their stars on many small things so that they will get cooperation in return. Likewise, give your superstars whatever wins you can to keep them motivated.
- **Learn what kind of praise motivates them, and do it often.** Some people like to be praised publicly; others like to be thanked in private. Everyone has their own areas of weakness. Find out what your superstars are insecure about and focus your praise there. Remember, though, praise must be sincere and timely to count.
- **Help them be team players.** Superstars can find it hard to be team players, especially if they perceive other team members as being sub-par. Encourage a team atmosphere and try not to isolate your superstar.
- **Keep them in the loop.** Have an open channel of communication with your superstar about their career path. Share where you see them going and what they need to do to get there. Having an attractive end goal in mind will keep anyone motivated.

## Talent Review Meetings

### Structuring the Talent Review Meeting

Once talent assessments have been completed, the talent review meeting should take place. Remember, assessments should take place as often as performance reviews (annually at minimum).

### Who should attend?

Organization leaders and human resource team members. The level of leadership that will attend depends on the organization. Typically, if a member from a particular level is invited, all members from that level should be invited, even if they have no high potentials or successors in their team.

### Why is it important?

It will help the organization gather talent management data from multiple sources. It will also ensure that everyone in the organization is on the same page about the talent management program. It also offers visibility and support to your talent management program.

**What should be covered?**

A defined agenda should be set for each talent review meeting. This agenda will depend on your organization and your program, but key elements usually include:

- Introduction of all participants
- Review of organization’s talent management program
- Succession plan review
- Review of business goals and associated talent needs
- Review of business events, vacancies, and talent risks
- Review of current high potentials and high performers
- Nominations for new high potentials
- Review of all talent assessments
- Discussion on career paths, development plans, and job assignments
- Wrap-up with action items and date of next meeting

**A Manager’s Role**

Each manager should have the following responsibilities during the talent review meeting:

- Have all talent assessments completed
- Come prepared
- Be objective; present data rather than opinions whenever possible
- Practice good listening skills and keep an open mind

**Case Study**

**Background Information**

Joe Smith opened a family plumbing business in 1964. His wife, Jane, does all the bookkeeping and office management. Andrea Jones is his senior plumber and takes care of most of the hands-on supervision of the plumbers. Joe and Jane’s children Melissa and Jim, as well as Terry Andrews, form the plumbing staff.

**Task**

**What might a talent review meeting look like for Smith Plumbing?**

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### Following Up

Here is a checklist of typical actions required after each talent review meeting and who is usually responsible for execution.

	Employees	Line Manager	HR Professional	Executives
Review meeting with employees as appropriate	X	X		
Follow up on action plans	X	X	X	X
Create development plans and implement them	X	X		
Keep talent profile up to date	X			
Keep succession plan up to date		X	X	X
Put succession plan into action when necessary			X	X
Use data to identify trends and additional actions required			X	X
Create complete talent review report if desired			X	
Read talent review report and ask questions or suggest changes				X
Continue to develop employees and watch out for High Performers, High Potentials, and Successors		X	X	X

## Show Me the Money!

### Building Incentives into the Plan

Compensation does have to be part of your talent management plan. Although people may have an internal drive to succeed, tangible rewards are also required to keep people motivated.

A good compensation plan has the following characteristics:

- Consistent across the company
- Tailored to your organization
- Competitive overall (meaning if you can't pay the same amount as other organizations in your industry, employees are compensated in other ways)
- A competitive advantage
- Integrated with other programs in the company
- Ability to be personalized and adjusted
- Keeps people energized and motivated

However, compensation must extend beyond cash benefits. Other than money, what other rewards can we use to motivate people?

- Additional time off
- Paid training
- Sabbaticals
- Special projects and assignments
- Stock options and shares
- Job sharing and job shadowing
- Special parking space
- Employee of the month certificates for particular tasks
- Perks like gym benefits
- Health and dental benefits
- Parties and retreats

### **About Competency-Based Pay and Pay-For-Performance**

Some organizations link performance directly to compensation. One common example is the salesperson who is rewarded with a commission on each sale they make.

Here are some other examples of competency-based pay:

- Bonuses for achieving certain targets
- Pay raises based on performance appraisals, business results, and/or competencies
- Merit increases based on Bell curve of overall company performance
- Additional rewards based on performance (like charity events – if you raise \$50, you get a hat; if you raise \$100, you get a t-shirt; etc.)

A final note: When linking pay to competencies, make sure that you're sending the right message. It is not uncommon to see people make decisions that are poor for the company, yet result in bonuses for themselves.

### Further Reading:

- ✓ *Carnegie, Dale. How to Win Friends and Influence People. Pocket Books, 1998 (Reprint).*
- ✓ *Carter, Lewis, and Marshall Goldsmith. Best Practices in Talent Management. Pfeiffer, 2009.*
- ✓ *Harvard Business Review. Harvard Business Review on Talent Management. Harvard Business School Publishing Corporation, 2008.*