

# Talent Management Best Practice Guide



Welcome to the Protostar Leadership Development guide to Talent Management. Over the next few pages we aim to compress 25 years of experience in developing current and future leaders, along with ensuring organisations make the best use of their specialists. As you would no doubt expect, the guide can only cover the basic frameworks utilised in best practice organisations, along with numerous tips.

For more detailed advice, please contact our Managing Director Michael Coates for a no obligation discussion.

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Or let us run our Talent Management workshops at your company

Go to **<http://www.protostar-uk.com/talent-management.html>** for details



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## What Is Talent Management?

Talent Management as a discipline or process, came to the fore following the 2001 publication of “The War For Talent” (Harvard Business Press.) Many would say however that there had always been “such a war” as Talent Management is about identifying, attracting, developing, retaining and making the best strategic use of talented people. The “management” aspect to this is vital, as often these functions are separated, for instance, relatively junior staff with little awareness of strategic direction, look after recruitment; busy line managers are responsible for retaining and rewarding these talented individuals and HR pick up the rest.



**Talent Management is a holistic process, unless all aspects are focused and coordinated, talent will be lost or at least underutilized. It should be seen as a strategic process of equal value to marketing or manufacturing, for the logic is clear, if you get the right people in the right jobs and utilize them, your business is far more likely to succeed. (For more evidence of this read “From Good To Great” by Jim Collins.)**

**So where do we start? Well, let’s tackle the trickiest aspect first...What does talent look like?**

## Spotting Talent

In order to spot talent you need to have decided “what talent looks like”. Depending upon your industry this could be factors as diverse as:

- Physical appearance
- Interpersonal skills
- Knowledge
- Reputation
- Skills
- Possessing a rare skill
- Achieving results

Unfortunately, talent or the potential to succeed and add value to an organisation, is often in the eye of the beholder, which leads to a wide variety of individuals being identified, missed or incorrectly identified.

You need a competency framework based on what has proven to be factors applicable to existing successful employees at YOUR organisation, along with predicted factors required for the future (as past performance is no guarantee of success if the organisation is changing.)

## Developing A Competency Framework

If you would be happy to choose your future wife or husband based on someone else's criteria, then feel free to do the same at your organisation and buy or download an existing competency model! Your organisation is different and so should be your talent criteria. Start by identifying successful individuals at your organisation, plus a range of staff who must have worked with successful people at some point. Then double check with senior leaders how different the business will be in future years so that you can decide if past success factors will be relevant.

Interview the aforementioned staff and ask them to think of a highly successful and an “OK” employee at your organisation and have them justify this classification. This is called “Repertory Grid” questioning. Avoid pre conceived ideas as to the competencies – If you look for pre-conceptions you will find them. Spot similarities with other people's examples and justifications. If you repeatedly hear that great employees are so creative, then creativity would appear to be a success factor.

Do not take their justification at face value, look for a root cause, for instance, it might be that the creative behaviours only came out because they were assertive enough to voice new ideas. Maybe many people were creative but too timid to rock the boat. So actually, assertiveness was the success factor. Once you have a selection of draft competencies, you need to write a competency statement that sums up the evidence, not simply your own view of what it should be.

**E.g. Competency –Positive Outlook**

Displays a positive and confident attitude even under adverse or stressful conditions. Defaults to a can do attitude and looks for solutions not barriers, opportunities not problems; challenging negative attitudes when encountered.

**The next steps are;**

- **Sense check – do they seem right?**
- **Look for glaring omissions**
- **Validate against performance reviews – check known high performers demonstrate most of the competencies**
- **Remember correlation doesn't always mean cause**
- **Check these competencies apply to the future**
- **Trial your model and assess a further batch of great, acceptable and poor employees, how do they fare against the model?**

**Once you are confident you know what talent looks like, integrate this framework into your recruitment, performance management and succession planning process.**



## Using The Framework To Spot Talent

- Hire and appraise all employees using competency questioning. E.g. "Give an example of when you have had to come up with a new creative solution to a problem."
- Give those with potential talent an opportunity to demonstrate the competencies if their role is restricting them.
- Ensure they are delivering results too. If your model doesn't include achieving results as a factor, then ensure you allow for it.
- Train managers in how to spot competencies and how to give feedback.





## Attracting Talent

- Talented people will be in demand, so your advert, recruitment process, compensation, induction and career/development plan must be attractive.
- Only use your best staff to make such hiring decisions – a hiring decision may well cost £500k over 7 years, comparable to a CAPEX decision that would require a full business case.
- Don't skimp on interview expenses or the recruitment experience – you want them to want you.
- Choose external recruiters carefully – are they a suitable ambassador? – Do they know what talent looks like?
- Promote your brand – a quick Google search should bring up lots of reasons why talent would flock to you.
- Talented people often already have good jobs. You may need to head hunt and be ready to entice.
- Talented people don't just want money – ensure there is a career and development plan on the table.
- Talent is often right under your nose, they just haven't been given an opportunity to shine.
- Minority groups are statistically more likely to be faced with a glass ceiling – help them.



## Development Interventions For Talented Individuals

Firstly, challenge your own performance management and development planning process. Is it fit for purpose regarding giving regular feedback and structured development for a talented individual? Typically a more intensive approach is required and feedback should be at least quarterly.

A development plan should be in SMART format

- Development objective
- Success criteria
- Actions
- Support to be given
- Date to be completed

**Development is not necessarily training. Talented people often benefit most from;**

- 360 feedback
- Coaching
- Leading a project
- Participating in a project
- Shadowing a role model
- Networking
- Being delegated challenging tasks
- Training others
- Being set challenging targets

Their development plan should contain a variety of such interventions and should not just concentrate on the current job but their next likely move.

## Using 360 Degree Feedback & Psychometrics

Personality profiles are completed by the individual and they receive feedback from a trained facilitator. This can help to identify behaviours that need development. As they are already identified as being talented, it is likely that little will come from this unless you use a tool designed to identify behaviours that could be career limiting. Hogan's HDS is a great example. Go to our website to see a sample copy. ([www.protostar-uk.com/personality-profiling](http://www.protostar-uk.com/personality-profiling))

A 360 degree questionnaire will more often than not identify a range of development opportunities, as long as the process is handled correctly.

- Choose a 360 model that is based on your competency framework.
- Choose a model that matches their level and role.
- Ensure that only respondents who interact with the individual regularly and in a wide variety of situations, get to complete it.
- Ensure all respondents know it's confidential.
- Ensure all respondents know that it's not part of the formal PM process.
- Select a time when people will actually put effort into giving the feedback.
- Allow free text comments.
- Ensure that feedback is delivered by a trained facilitator.
- Ensure a development plan is constructed and supported.
- Trial run it – firewalls can be a killer.
- Don't select external respondents- they rarely have the breadth of exposure.



For examples of 360 reports see our website  
<http://www.protostar-uk.com/360-feedback.html>

## Executive Coaching

Coaching is provided to managers and professionals, whom it is felt would benefit from one to one support. Primarily coaching is used to ensure that the coachee's potential is brought out and also that they avoid, what are called "de-railing" behaviours, that could slow down or scupper their career. Another common use is to help coachees to address their soft skill development needs, such as communication, emotional intelligence or how they motivate others. As these behaviours are closely linked with personality, one to one coaching is generally more effective than a generic course.

Inevitably coaching is more expensive than training, so the choice of coach and the structure of the arrangement are key to a suitable R.O.I. Coaching is an unregulated industry so take care choosing a coach. If they are cheap, why are they cheap?

- Find out how they justify calling themselves an executive coach. Do they have a bone fide qualification in this field and if so how was it obtained?
- Talk to current clients, not just the person being coached.
- Ask for documentation e.g. confidentiality agreements, development plans. A real coach will have them.
- What support tools can they use e.g. 360 or psychometrics.
- Meet the coach – would they be a good team fit?
- Try before you buy – have a sample session.
- Set specific development targets for the coaching.
- Request feedback from the coachee about the value it is adding.
- Utilise the coachee's boss too, an executive coach can only do so much.
- Penalise the coachee if they don't turn up – it's an important high cost investment.
- Remember it's more effective with talent than with "lost causes".

## Leadership Development Programmes

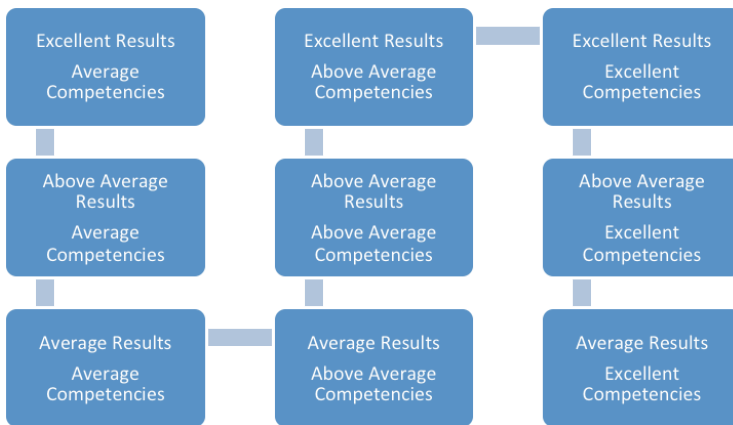
The key to a successful programme is:

- Design it around your competency framework and a prioritised list of other management competencies.
- It needs to be blended learning e.g. training, coaching, 360 feedback, action learning, networking etc.
- Have a clear set of measurable objectives and a means of measuring R.O.I.
- Select those who need it, not just all managers.
- Ensure it can adapt to individual needs – not one size fits all.
- Have participants apply to be on it, with a full justification. – Don't just mandate attendance.
- Ensure their development plan is continually updated throughout.
- Be ready to adapt the programme if it's not working.
- If using external providers – don't buy an off the shelf package – have it designed for your needs.



## Succession Planning

This process tries to identify where talented people might move onto and who would be best suited to taking over from key individuals if they were to leave.



Some organisations use “Potential” for one axis and “Results” for the other, however how do you identify potential? It is a subjective opinion. It could be shown through their demonstration of competencies e.g. Results have yet to appear but competencies are demonstrated, or they are too low in the organisation to really have visible results but competencies are demonstrated.

Once again, an accurate competency model is essential.

### Watchouts

- If you tell someone they are identified as the next possible “Finance Director” and have an appropriate development plan, you will have raised their expectations.
- If you do not tell them, then you might lose or confuse them.
- If you only have one possible successor, then you are at risk.
- If you identify two then might they be in competition with each other?
- You need a set of criteria to identify talent. Typically this is a 9 box matrix (see above) assessing their KPI results for the last three years against their demonstration of competencies for that period (to ensure consistency.)

## Retaining Talent

It is a commonly held view that talented people should be paid more to retain them. This will help but really they should be paid at least the market rate for a great candidate for that role. If you would pay more for the “right” external candidate, then you should be paying your talented internal individual that now.

Talented people are also motivated by:

- Learning new skills
- Interesting work
- A visible career plan
- Regular feedback/recognition
- Variety
- Being empowered
- Easy access to senior leaders

The provision of all of these should be a SMART objective for their line manager.



However you might also want to look at extending their notice period, offering stock/share options, paying for post graduate education (with a payback clause) in order to avoid them jumping at the first attractive approach by a competitor.

One final thought is that unless your organisation is very big, you might have to lose a few talented individuals simply because you have developed too many, for the number of opportunities. This is not a bad thing, for your organisation will get a reputation for nurturing talent.

## Return On Investment (R.O.I)

Return On Investment for management development and talent management has often frustrated leaders. How do you show that a £50k training programme had a R.O.I of £100k? While we run a whole workshop on this topic ([www.protostar-uk.com/talent-management.html](http://www.protostar-uk.com/talent-management.html)) the basics include.

## Balanced Score Card

Talent management should be measured using a balanced scorecard for activities ("enablers") designed to support the organisation's strategic objectives E.g.

## Strategic Objective – Increase market share by 10% by year end.

### Talent Management enablers

- A – Hire excellent business development (BD) staff
- B – Retain key sales people
- C – Enhance skills of BD staff

### Measured by

- A – New hire achieves a challenging sales target during first 4 quarters
- B – Difference in attrition rates before and after enablers
- B – Cost avoidance in not hiring new staff
- C – Evidence of techniques being used – increase in performance after training – increase in appraisal ratings. (Pre agreed estimated financial gain should be allocated to these.)

## Other R.O.I Factors

### **Current Applied Capability (CAP)**

Level of capability an individual (or whole workforce) is applying now.

### **Current Potential Capability (CPC)**

Maximum level of work an individual (or workforce) could carry out at a given point in time, given support.

### **Future Potential Capability (FPC)**

The predicted level of potential that a person (or workforce) will possess at a given point in future.







**TALENT MANAGER**

**COMPETENCY MODEL**

Just as your talented individuals should be hired and appraised against a competency model, so should any employee involved in talent management.

### **Identify Talent.**

Consistently uses tools and techniques to successfully identify internal and external individuals who will add above average amounts of value to the organisation.

### **Attract Talent**

Consistently utilises a wide range of cost effective methods to attract talented individuals to join the organisation. Goes the extra mile to ensure that they join the organisation.

### **Develop Talent**

Ensures talented individuals have a comprehensive and continually updated development plan, from the moment they are hired. Ensures development plans are effective and motivational.



**TALENT MANAGER**

**COMPETENCY MODEL**

## **Retains Talent**

Organises or lobbies for a wide range of extrinsic and intrinsic motivational factors to retain talented individuals.

## **Constructive Feedback**

Consistently provides talented individuals and their line managers with honest, transparent “process” feedback. (Behaviour, Result, Possible Alternative Behaviour.)

## **Performance Coaching**

Provides timely and effective coaching for talented individuals and their line managers. Is seen as a principal source of support.

## **Business Acumen**

Understands the current and future business model and consistently makes or lobbies for astute commercial decisions regarding talented individuals.



## About Protostar Leadership Development

Protostar have been developing and supporting leaders in the UK, USA and Mexico since 2007. All of the Talent Management areas mentioned in this guide have been rolled out by Protostar Consultants for medium or large organisations with proven results.

All Protostar consultants have at least 20 years senior management experience and yet by running a very lean organisation, costs are far lower than many comparable consultancies.

To find out more go to [www.protostar-uk.com](http://www.protostar-uk.com) or find us on Facebook and YouTube.

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