

Chapter 54

A Model for Talent Manager Excellence

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IF CORPORATE PRIORITIES WERE SET BY UNANIMOUS AGREEMENT ABOUT THEIR IMPORTANCE, executives would be focused on little other than talent management (TM). With regularity, a survey emerges reporting that corporate executives view growing talent as their first priority. In those same surveys, the executives lament the actual state of talent in their organization and the survey authors lament the fractional amount of time the executives invest in building talent.

This increasingly predictable dialogue obscures the fact that the real work of talent building isn't getting done in most organizations. As TM professionals, we must try to understand the few capabilities that differentiate those companies who consistently produce great talent and great business results. As experienced practitioners and consultants in this field, we believe a critical and often-overlooked element is the capabilities of the TM staff. In this chapter, we describe the factors that differentiate great TM leaders.

Defining Talent Management

To provide both context and urgency for our model, we start by outlining the functional boundaries of TM and offer a brief overview of the state of the field. The functional boundaries are important, since as a field that emerged only in the last decade,

there's understandable uncertainty about what work constitutes TM. We look to the research of the New Talent Management Network (NTMN), the world's largest organization of TM professionals, to help inform us in both areas.

The NTMN conducts an annual State of TM survey that assesses what TM does, the structure of TM departments, compensation levels, and so on. Their survey shows that the types of activities done by TM groups are becoming more universal and are different than the work done by other HR specialties. The data shows that groups that are officially called "TM" are typically focused on talent reviews and succession planning, high-potential identification, career development, and assessment and feedback. Groups identifying themselves as organization development or organization effectiveness engage in these activities much less frequently. This suggests a shift of these activities from those groups (or generalists) to this new specialty area. A notable exclusion from the areas of TM focus is talent acquisition or recruiting, which is done by only four in ten TM groups.

It makes sense that the activities listed above are the focus of TM, since these are the core processes that build talent in organizations. Together they compose the heart of the talent growth cycle—identify, develop, and deploy talent across the organization. In this article, when we refer to TM activities and the work done by TM practitioners, we are speaking about these activities.

The NTMN survey also asks respondents to assess how their executives would rate the effectiveness of their company's talent practices. You might expect that skewed self-perception or efforts at "impression management" would inflate the response to this question. Given the findings, we hope it didn't. Fewer than half of respondents rated core TM practices like high-potential identification, development planning, and assessing leaders as Always or Often Effective. Succession planning scraped by, with 51 percent rating this practice as effective.

Survey questions about the simplicity, transparency, and accountability of those practices fared even worse. As a few examples, barely 30 percent of respondents considered their development planning process Extremely or Mostly Easy to Use. In only one of the eight TM processes did a majority of companies say that managers were held accountable for follow-up. In the core process for TM leaders—the talent review and succession planning process—just over 40 percent rated managers as being Always Held Accountable. But it was transparency around talent practices that fared the worst of all. Just over 20 percent of companies said that practices like executive coaching or talent reviews were Totally or Mostly Transparent.

While there may be many reasons that these practices aren't working and that executives are unhappy with their company's talent, only one is under our control. As a TM community, we own our capabilities, and we need to collectively own improving them. The increased demand for great talent in our organizations makes this not only the ideal time to focus on this issue, but perhaps the last time we'll have an opportunity to. It's doubtful that corporate executives will tolerate much longer a department that is so clearly underperforming its potential.

The TM 4 + 2 Capability Model

TM's recent emergence as a field means that no clear success model has been developed yet. Based on our experience as TM consultants and practitioners, interviews with other well-regarded practitioners, and input over the years from executive search leaders, we believe we have identified the factors that differentiate successful TM leaders.

We propose that there are six characteristics that differentiate a high-performing TM leader. We consider four of these to be core—the proverbial “price of admission” required to operate at an acceptable level of effectiveness. Being great at these will bring a modicum of success, but they are only part of the equation. The other two are factors that separate the great from the merely very good. It is these two that elevate TM leaders to their highest level of effectiveness.

The Core Four

Business Junkie. *Knows and loves business.* Great talent leaders are permanently addicted to business. At a practical level, they are deep experts in their organization's business. They understand the company's strategy, how the products or services are produced, how the R&D process operates, and how the company goes to market. They can dissect their company's (or any other company's) income statement and balance sheet, and are able to trace human capital decisions back to the relevant line items. Their understanding comes from firsthand involvement in the business—sitting through marketing meetings, wandering the floor at the factory, going on sales calls.

In addition to knowing their business, they genuinely love business. They enjoy waking up each morning to participate in the capitalistic pursuit of making and selling things that produce a profit for their company, jobs for their employees, and returns for their shareholders. They advance a business-first agenda, in which they are responsible to get the best return from that corporation's talent investment.

According to Kevin Wilde, VP, Organization Effectiveness & Chief Learning Officer at General Mills, being a business junkie isn't “only knowing how to read a balance sheet. It's getting underneath.” He suggests an easy way to make that happen. “Talent leaders should be sure to make friends in two departments—investor relations and business development. Have lunch with them. Bring them into leadership courses. They can share with you the items that the CEO and business unit leaders care most about, and provide insights that no one else can.”

HR Disciple. *Has comprehensive, firsthand knowledge of human resource disciplines.* The HR Disciple has a broad understanding of the core TM areas along with compensation, recruiting, organization development, and engagement. He or she is an avid student of the human resource discipline and is able to effectively translate ideas from academic abstraction to practical reality. According to Julian Kaufman, who held the top TM jobs at Honeywell and Tyco, and now AIG, “Academic knowledge is great, but you must have a practitioner's mind-set—how do I apply this knowledge to actually solve problems? You have to put your skills *on trial* to see if they really work.”

According to a number of top TM leaders, there's no substitute for broad-based experience to grow one's capabilities as an HR Disciple. Kaufman feels that executive recruiting experience is a great way to calibrate the gold standard for good talent. Exposure to other HR specialty areas (compensation, generalist, organization development, etc.) is equally important to ensure the TM leader has a holistic understanding of how these levers interact to drive performance. Another critical differentiator? Multicompany experience. There's just no better way to gain perspective and depth than by seeing how HR challenges are handled in operating environments and under different business cultures.

Those desiring success in this field should actively seek out assignments, projects, and other opportunities that broaden their experience in both different HR disciplines and operating environments. No matter how superior one's TM technical skills are, without this additional knowledge and experience, it will be difficult to develop the credibility and perspective needed to excel.

Production Manager. *Can build and consistently execute talent production processes.* Some in the TM field think of themselves as experienced craftspeople, building individual leaders in a labor of love. The best in the field know that they are actually the production line managers on the talent factory floor. Their job is to build and operate a process that turns out leaders who meet the specifications agreed to, in the time frame that was agreed upon. To them, the "talent factory" is reality, not just an analogy.

They approach their task with the same disciplined approach to process management as any other production leader. They understand the raw materials available to them, the tools that can most effectively cut, shape, and polish that material, and how to ensure that the finished product meets quality standards and is distributed appropriately. They know how to keep the production line moving to produce leaders when needed. Excelling in this role means keeping those production processes simple. As Roger Cude, VP Talent Management for Wal-Mart, says, "Your processes must be elegant but simple. As a craft, we tend to overcomplicate things."

Production manager skills can be gained through practice with classic project management tools like PERT (Performance Evaluation and Review Technique) and Gantt charts, through exposure to Six Sigma methodology, and most powerfully, through firsthand experience in operations or supply chain roles. More important, and more challenging to develop, is the belief that talent *should be* produced with this mind-set.

Talent Authority. *Understands the backgrounds, strengths, weaknesses, and development needs of top talent.* Great talent leaders know their talent. When the CEO asks for a slate of candidates, they can immediately list five names along with the strengths and weaknesses of each. The most expensive TM technology is no substitute for a talent leader's nuanced knowledge about his or her charges. Talent profiles are at best a two-dimensional recitation of facts. The talent leader brings those facts to life through a deeper understanding of the stories and influences behind them.

A successful talent authority also has a great "eye for talent." As subjective as that might sound, certain individuals have a talent for selecting talent. They understand what it takes to succeed in a given role and have the ability to quickly summarize how well a

candidate fits with those needs. This likely stems from matching an understanding of the business, its culture, and the patterns of past success with an ability to ascertain how well someone would fit with the intellectual, cultural, political, and relationship-based factor of the job.

Becoming a talent authority only happens when the talent leader has a deep, personal knowledge of the organization's talent. This means having one-on-one meetings with key talent where the talent leader builds trust as he or she gathers information about leaders' careers, their ambitions, and their management style. The talent leader must then integrate that information with all the other data about that leader—derailer factors, business performance, engagement performance—into a comprehensive three-dimensional leadership profile. That effort requires a large investment of time but yields very high returns through more accurate and timely talent decisions.

The Differentiating Two

While TM leaders must have the above described attributes, achieving full potential requires even more. A TM leader must also be a Trusted Executive Advisor and Courageous Advocate.

Trusted Executive Advisor. *Uses credibility and relationships with executives to influence key decisions.* As a trusted advisor, the TM leader uses his or her knowledge, experience, and insights to guide key people decisions. But even with a strong level of technical expertise, a talent leader can only become a trusted advisor by flexing a different set of muscles. Being a trusted advisor transcends a professional relationship. The TM leader provides wise counsel on talent issues in a way that considers the client's ego, personal hopes, and fears, and reflects a deeper understanding of the organization's financial, operational, and political realities. This requires that the TM leader

Is professionally credible. Professional credibility doesn't come from impressive educational credentials or long tenure in the role. Demonstrating the Core Four provides the necessary ingredients for becoming professionally credible. The credible TM leader can integrate those ingredients in a way that allows the leader to continually make the "right" talent decisions for the organization. This includes being able to persuasively present and argue for a position using the right balance of facts and emotion. Without that capability, the individual is destined to remain a technical specialist.

Forms strong executive relationships. The quality of a TM leader's personal relationships with senior executives will determine whether he or she becomes a trusted advisor on talent issues in that organization. That strong relationship can only happen after the senior leader trusts that the TM leader has the senior leader's best interest at heart. To get there, the TM leader will need to demonstrate an understanding of the executive's personal and professional agendas and the executive's ego needs. The TM leader will increase the relationship's strength after each interaction where the executive sees that the leader genuinely represents his or her best interests.

Courageous Advocate. Has a theory in the case and is appropriately aggressive in advancing a point of view on talent, independent of its popularity. The Courageous Advocate has a theory of the case about why specific talent choices should be made, and he or she is appropriately aggressive in voicing that opinion. Those who effectively balance these two factors ensure that the right talent decisions get made. We'll look at each factor in turn:

- **Has a Theory of the Case.** *A fact-based, brief, logical, and credible argument about why a talent decision should or shouldn't be taken.* It is the concise expression of a deeply held viewpoint on why talent succeeds, the best way to develop talent, why talent fails, and the aggregated learning from many other talent interactions. A theory of the case might be that Mary can succeed as a new general manager even though she's never led teams before because
 - Point 1: She is highly motivated to succeed in that role and she's breached similarly large gaps in her career development driven by that motivation
 - Point 2: Her personality characteristics are consistent with those who have successfully led teams through challenging times
 - Point 3: We have strong development and support mechanisms for general managers in our company
 - Point 4: She has a strong functional team around her who will provide support as she learns.

A well-developed point of view is at the core of being persuasive.

- **Is Appropriately Aggressive.** This phrase, provided by Kevin Wilde, captures a variety of nuanced behaviors that differentiate great TM leaders. To us, "appropriate" means knowing how to select which battles are worth fighting, knowing in which situations pushing back will be most productive, and knowing the politically productive way to bring a potentially incendiary issue to the table. "Aggressiveness" means not being afraid to voice your opinions, to fight for what you believe is right, and to not be afraid of pushing back just one more time. A difficult capability to master, many TM leaders fail on their path to greatness because they over or under use it.

The combination of a theory of the case and the appropriate amount of aggressiveness creates a TM leader who drives the right talent decisions in the right way.

Conclusion

We believe that 4 + 2 Talent Management model highlights the most differentiating capabilities for talent management leaders. Given that this field is still in its infancy, it's possible that our view on these critical capabilities will change over time. We are confident that the closer that TM leaders fit with the 4 + 2 profile, the better odds we have for this profession realizing its true potential.