

POTENTIAL



PERFORMANCE



# Six Steps to Great Talent Reviews





# Six Steps to Great Talent Reviews



by **Marc Effron**,  
Talent Strategy Group

It's great news that talent reviews have become almost universal in organizations. This foundational practice can help any organization to build better talent faster.

The fact that most companies do them, however, doesn't mean that they're done well. We see companies with overly complex processes, vague definitions of potential, ill-equipped HR leaders, no follow up and other challenges that undercut the effectiveness of this potentially powerful process.

Our experience conducting hundreds of talent reviews and building the process for complex global organizations shows us that six factors create a successful talent review. We suggest you assess your organization's practices against these.



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1. **A crisp, company-specific definition of potential:** It's easy to forget that potential isn't it just what the individual brings to the table. It's also the specific needs of the organization going forward.

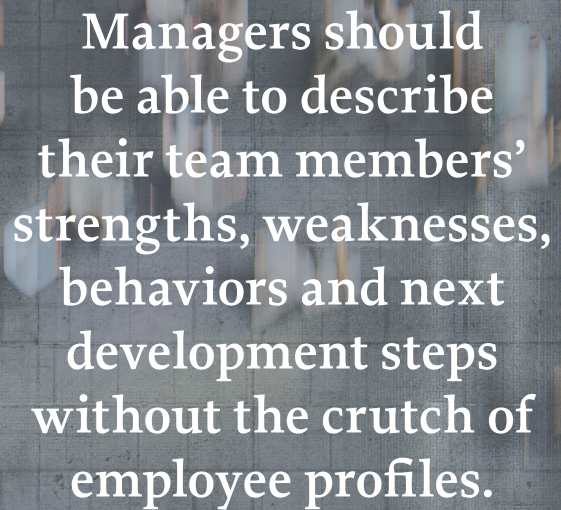
Potential is located at the intersection of those two factors. Your definition has to simply and artfully combine those two elements in a way that accurately predicts a leader's movement.

At the individual level, you should want to see:

- **A track record of sustained high performance across fundamentally different challenges.** Past performance in one job tells us little about future performance in a different job. But, sustained high performance across different, highly challenging scenarios indicates higher cognitive capability and provides insights about resilience, leadership and critical personality factors that predict potential.
- **The ambition to succeed in larger roles:** Ideally, the individual demonstrates trait ambition (a persistent drive to achieve) rather than state ambition (a desire to achieve a specific level or outcome). A great way to find out about someone's ambition is to ask them. Do that, then combine those insights with what you've witnessed during their tenure to assess their ambition.

At the organization level, you should assess:

- **Fit with the 3 – 4 differentiating capabilities your strategy demands.** In [“Companies Change Faster Than Leaders](#)



Managers should be able to describe their team members' strengths, weaknesses, behaviors and next development steps without the crutch of employee profiles.

Do,” we describe how an individual's fit with their company's future needs helps to predict their potential. Use the Executive Fit Matrix in that article to determine the few capabilities that will differentiate your highest performing leader in the next 3 – 4 years.

2. **A light process:** A talent review is an operational process to keep your [Talent Production Line](#) moving forward, so any material that doesn't directly support that process isn't needed. Your tools and other content should guide your discussion, not overwhelm it.

We believe that your leaders can have a high quality talent review discussion using only two sheets of paper – a 9-box grid (or your favorite tool) and a succession chart. Those two sheets succinctly describe the quality and depth of talent, and the projected movement for the highest potentials.

Talent profiles are typically not needed nor are summary charts, statistics and oth-

er superfluous material that don't improve your leaders' ability to predict their team member's potential or develop it.

**3. Manager accountability:** Managers should be able to describe their team members' strengths, weaknesses, behaviors and next development steps without the crutch of employee profiles.

This is not a high bar – it's a fundamental expectation of a manager. In a talent review, they should also be able to ask smart questions about their peers' direct reports to ensure that their peers can justify their ratings.

This doesn't require that they know their peers' talent (although that helps), but that they ask how a person compares to others rated similarly, what the next development steps are for that individual and how committed they are to their rating.

Questions like, "Are you willing to stake your corporate reputation on this individual?" are a great way to test their true knowledge and commitment.

They should, of course, also be able to answer those tough questions that they're asking others about their own team.

**4. Savvy facilitation:** An HR leader should facilitate talent review conversations until the organization is experienced and capable enough for line leaders to do this on their own.

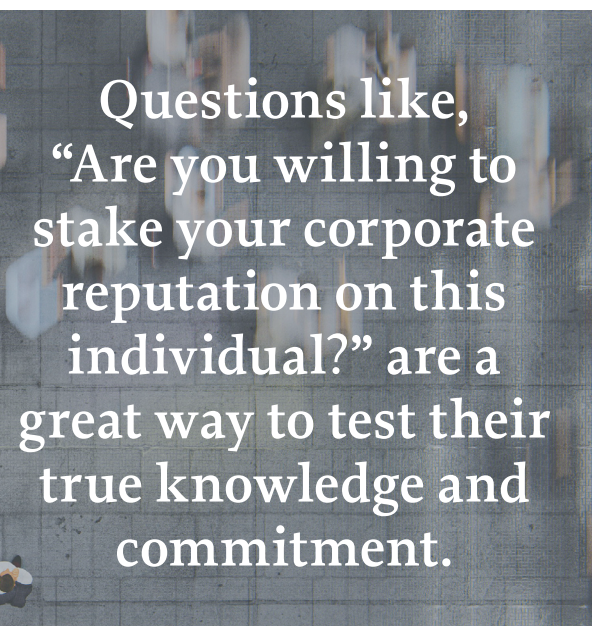
Before the talent review, an HR leader should meet with every leader who will present talent in the meeting to review their assessments and screen for any controversial ratings.

If there is a rating that the HR leader disagrees with, they need to advocate for a different rating using facts and the appropriate amount of persuasion with the leader.

If there is a rating that peers might argue against, the HR leader should help the business leader feel comfortable convincing others using facts and logic that support the decision.

In the talent review, savvy facilitation means:

- **Fact-based discussions:** The only facts discussed are those most relevant to accurately place and invest in an individual. Ad hominin comments are quickly shut down as are irrelevant comments about universities attended, languages spoken, etc.
- **An independent view from HR:** Whenever possible, HR should have an inde-



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pendent point of view about the talent being discussed and actively participate in the discussion.

HR is the neutral player in the organization, interested only in the best overall outcome. If they do not have that point of view their role in the meeting is reduced to simply facilitating – a task that could be given to an external consultant, or AI.

**5. Development decisions for all high potentials:** In your talent review session, you will have thoroughly discussed each high potential's strengths, weaknesses and development needs. You will have calibrated with the group that they agree with those findings.

You will have the right people in the room to make smart, aligned decisions about that high potential's next development steps. This means that a key output of a high-quality talent review is to identify the primary development action for each high potential.

When you make this decision in the meeting, you have the benefit of not only having holistic input from your peers, but also their alignment and support of that decision.

**6. Flawless follow up:** It's sometimes the simplest steps that trip companies in their talent review process. Talent reviews mean nothing if there's not follow-up on the decisions made.

We frequently see companies that hold fact-based, disciplined talent reviews and then fail to take the actions they committed to take. Flawless follow up is easier than it sounds and it means that:

- **HR records every decision made:** If it's decided that the company should move Suzie to Kuala Lumpur next year, this action should be recorded along with the person responsible for that action and date due.

HR doesn't own the action but they should own the project plan and take accountability for its completion.

- **HR follows up monthly:** Once a month, the HR leader who facilitated the process or owns the outcome should check with the leader for each action item to see if that action has occurred. They should offer to help move the process forward if the leader isn't moving quickly enough.
- **Integrate reporting into regular group meetings:** Most functions or regions have a regular meeting cycle and talent



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review follow up should be integrated into that. The status of talent review actions should be tracked and reported just like any key financial or operational metric.

This can be a simple measure like a red, yellow, green stop-light chart indicating the progress of each promise made. There's no need for lengthy reporting – just tell me where we are against the promise.

There's no company process more important than accurately selecting and investing in your future leaders. Poor choices place your business at risk, waste investments and derail careers.

A well-run process takes standards, process and discipline, but is completely achievable by companies of every size. Start by committing your company to flawlessly execute the six steps guaranteed to produce great results.

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[Marc Effron](#)  
**President**  
Talent Strategy Group