



Beyond Talent Development: Managers as Talent Leaders

There's a war going on, and many companies are fighting it—and losing.

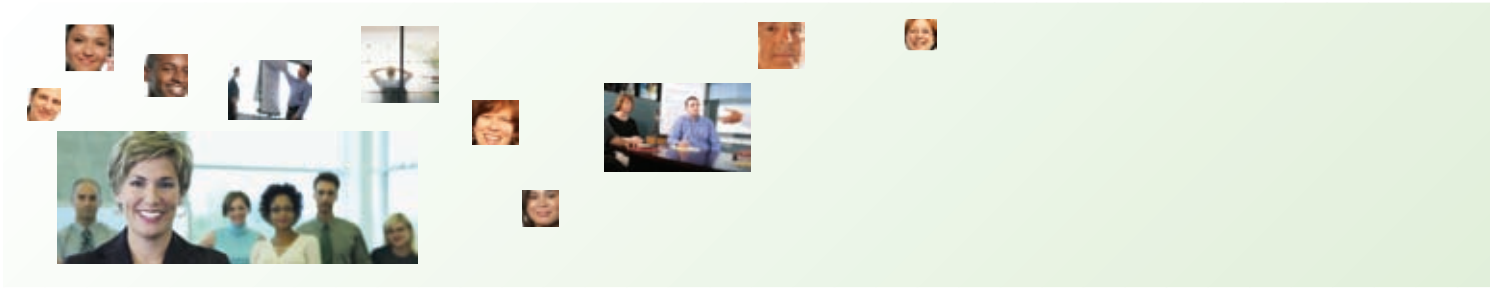
It's a war to attract and retain great talent. Projected economic growth is fueling demand, but supply is moving in the opposite direction. Retiring baby boomers, a decreasing number of younger people entering the workforce and increasing global opportunities for workers make it difficult for companies of all sizes to get and keep skilled employees. And those represent just the external pressures. Internally, companies meet competitive pressures, increase productivity and improve processes ... all with limited resources.

The bottom line? Organizations must make talent management a top priority. They must constantly monitor their employee value proposition. They must source and develop talent carefully, keeping employees engaged and committed, while removing underperformers.

And they must ensure that every manager in the company understands the rules of engagement and embraces a leadership role in talent management.

Catherine J. Rezak

is chairman and co-founder of Paradigm Learning, a training and communications organization specializing in the design of business games, simulations and Discovery Maps®. Paradigm Learning has created highly acclaimed business games and simulations in the areas of talent leadership, business acumen, project management, team building, leadership and talent development.



Managers on the Front Line

Consider this hiring scenario: After a long recruitment process, Sue hires John as an account manager in the client services department of a Fortune 500 financial services company. As this is a critical position, the HR department took a long time to identify the skill sets required for the position and send qualified candidates. Sue almost lost John to a competitor, but she was able to sell him on the company's corporate culture and his potential career opportunities. With John on board, having completed his HR orientation and up to speed on his job responsibilities, Sue breathes a sigh of relief and returns to her real job. She'll check in with John periodically to assess his performance, and she'll review his work and career aspirations annually. She'll also make sure he's on the distribution list for e-mail information about corporate strategy and goals.

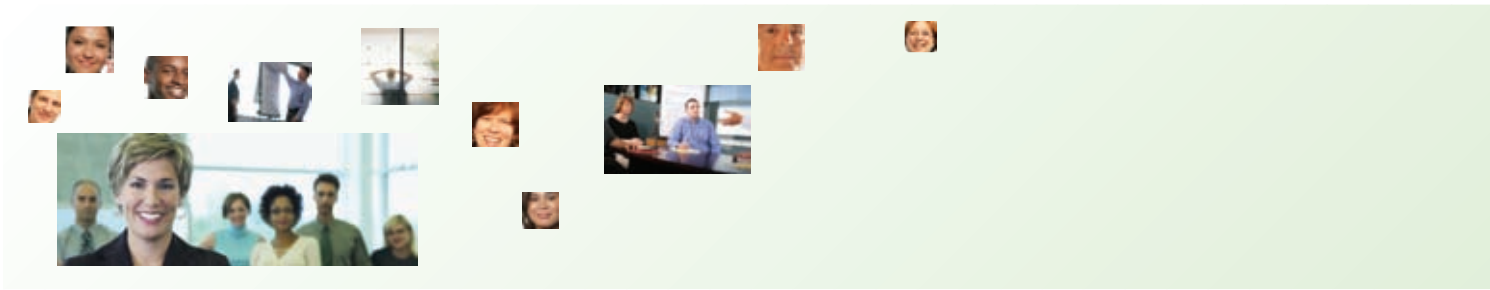
Sound familiar? In a scenario like this one, the likelihood that John will stay with the company—much less grow into a position of more responsibility—is low. And yet he seemed to be the perfect hire. So what's wrong with this picture?

Companies with 5,000 employees will incur an average annual turnover cost of \$3.5 million per year; those with 10,000 employees will average \$7 million. No matter how big or small, the math is clear: how effectively a company manages talent directly impacts the bottom line.¹
Human Capital Institute

In today's fast-moving, lean organizations, managers may not easily find time to focus on sourcing and developing talent. Although companies can and do provide resources—people, processes and tools—to help managers

piece together the talent puzzle, accountability for talent management must ultimately reside with managers.

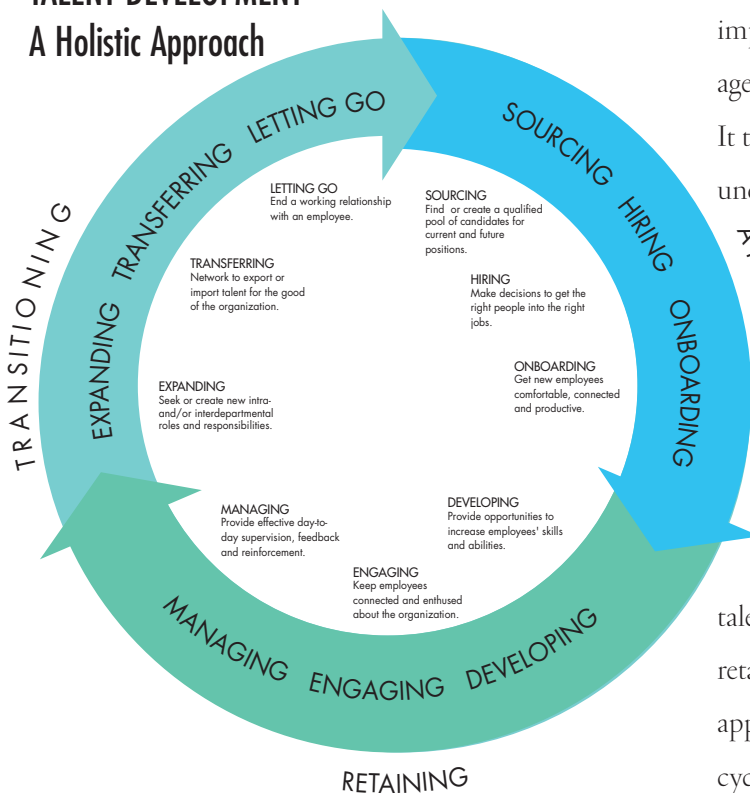
Organizations must therefore take a holistic approach to talent management, aligning strategies and expectations from the top down. Senior leaders need to provide visible, consistent support and necessary resources. And they need to communicate clearly with managers at all levels about their role as talent leaders.



Talent Leadership Accountabilities

The best talent leaders understand and embrace their responsibilities in the below three areas:

TALENT DEVELOPMENT A Holistic Approach



Recent research of HR executives at select Fortune 500 companies conducted by Paradigm Learning, a developer of employee and management training programs, provides some insight into the current state of talent leadership.

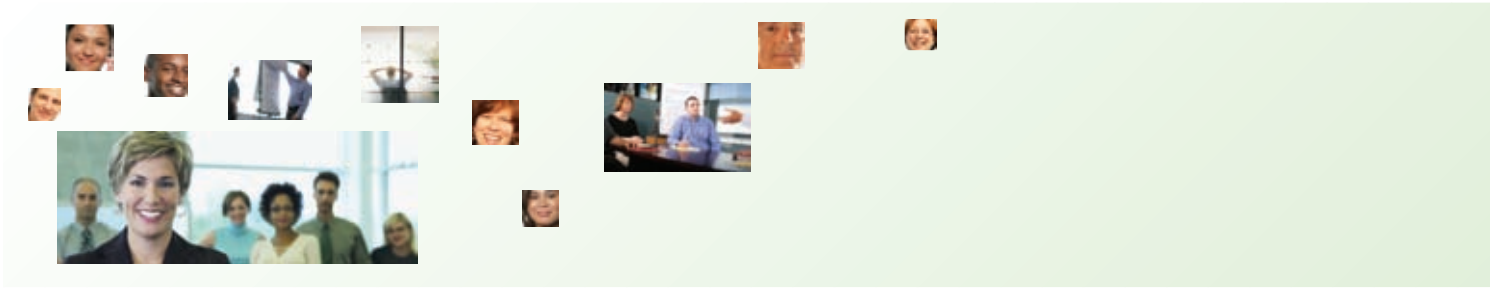
The majority of survey participants reported that managers today “work at lower levels.” They are, in the words

of one HR manager, “doing more day-to-day tasks when they should be doing more strategic and visionary-type work.” Why? Years of corporate downsizing and the impending retirement of baby boomers mean that managers must be increasingly hands-on to get the work done.

It takes time to get the right people on board (and the underperforming people moved out), to focus on developing the skills of employees, to keep them engaged, to provide them with expanded responsibilities and to identify new opportunities for them. No wonder managers rely on HR or just hope that everything will work out.

Paradigm’s survey participants agreed that when managers involve themselves in all aspects of talent leadership, they are much more likely to attract and retain the right employees. Embracing this holistic approach—addressing all phases of an employee’s life cycle—ensures big payoffs for companies committed to finding and keeping the brightest and the best.

Managers must undergo a paradigm shift and switch from a tactically focused “get today’s job done” to a “build-for-the-future” mind-set. But to make this shift, they need to first understand what talent leadership accountability really means.



Attracting the Right Employees

Everything begins with hiring the right employees. In his book *Good to Great: Why Some Companies Make the Leap... and Others Don't*, Jim Collins says that the best companies, those that have gone from good to great, “get the right people on the bus, the right people in the right seats, and the wrong people off the bus.” According to Collins, great companies have a corporate culture that finds and promotes disciplined people to think and act in a disciplined manner. Collins goes on to say: “... if you have the wrong people, it doesn't matter whether you discover the right direction; you still won't have a great company. Great vision without great people is irrelevant.”²

Yet the right employees are often elusive and becoming more so. The competition for a shrinking talent pool is keen. Prospective employees have more and more choices of where to work. The globalization of our business world makes skilled workers prime recruiting targets of

companies around the world, and the Internet makes it simple for employees to find and compare job opportunities.

Add something else to the mix: retiring baby boomers

are taking their experience and leadership skills with them, and fewer younger workers are in line to take their place.

The war for talent gets even more complex!

Attracting the Right Employees

- **Monster.com sees 1.6 million job seekers search 800,000 job postings every day.**³
- **Studies show that 90 percent of new hires decide to stay or leave a company within six months and one-third begin job hunting on the first day of a new job.**⁴

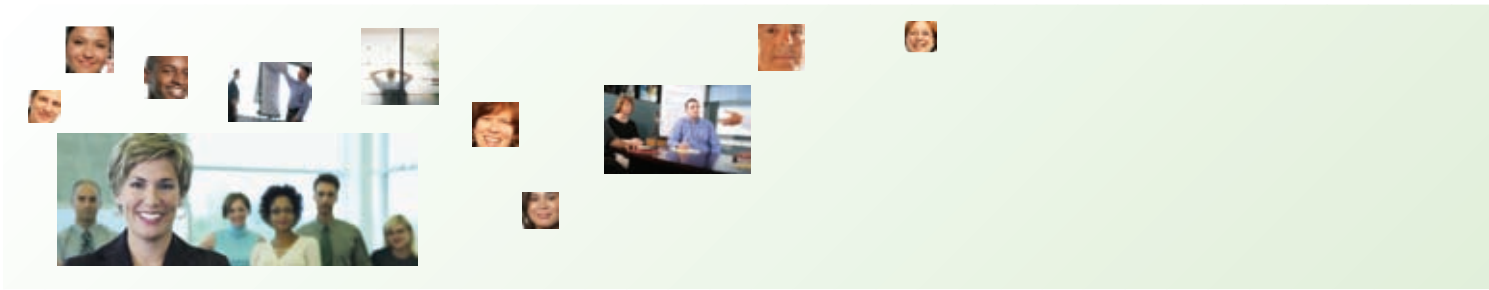
**Beverly Kaye and Sharon Jordan-Evans,
Career Systems International**

Finding prospective employees is the first step. Finding the right employees from among the prospects is the second. And then quickly getting the right employees geared up, motivated, productive and confident in their new responsibilities is the third.

Whose job is it to source? To interview? To hire? To orient and train new employees?

Companies of all sizes implement a variety of new processes and procedures—usually through their

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» human resources departments—to make sourcing, hiring and onboarding more effective. Technology, for example, plays an ever-bigger role in many organizations. Companies can now implement software applications that initiate a requisition to staffing, post jobs to job boards and corporate Web sites, extract résumés to databases, track candidates through prescreening and reference checking, schedule interviews, stay in e-mail contact with candidates, and make employment offers.

Many organizations also design and implement standardized job descriptions, interview guides, reference checking procedures, outsourced recruiting assistance and other processes to help their hiring managers reach the job offer and acceptance stage. Then, retooled employee orientation, training and mentoring programs help get new employees up to speed quickly. In these ways, HR adds real value to the process, freeing managers to focus on their day-to-day operational issues. But these added-value tools and techniques can backfire when managers rely too heavily on them to bring new people into the organization or when they take the “it’s HR’s job” approach to this key accountability.

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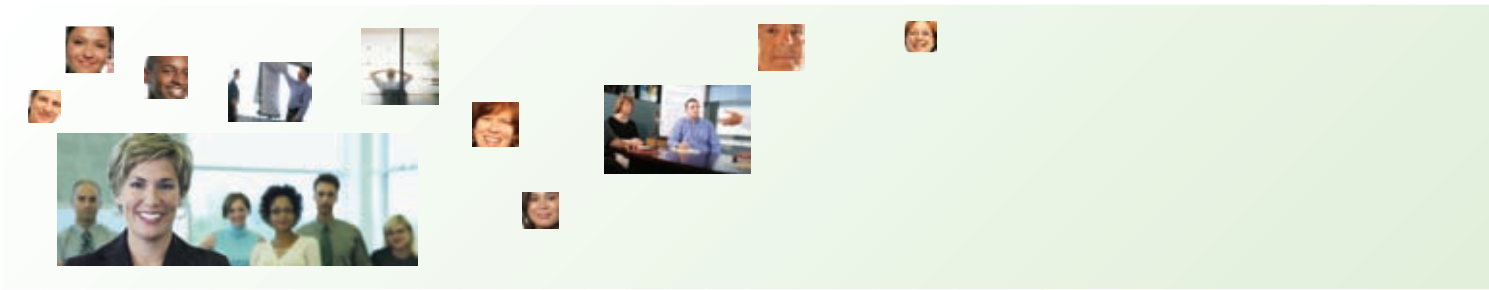
Hiring managers always have been and must continue to be ultimately responsible for attracting new employees to the organization. They know the job that needs to be done, they know the culture, they know the team dynamics, they know the results they—and the organization—need. They are also the ones tasked with developing employees now and in the future—and transitioning them into expanded job responsibilities when the time is right.

Managers need to embrace the responsibility for getting the right people into the organization. And that means fulfilling their roles in all three “attracting” accountabilities—*sourcing*, *hiring* and bringing people *on board*.

So, what does that look like? When the best managers are studied, they demonstrate these accountabilities in the following ways.

Sourcing

When it comes to *sourcing*, top managers create and nurture a qualified pool of candidates for current and future positions. They work effectively with internal support functions while maintaining overall responsibility for this effort. »



» They focus not only on the existing requirements for a position, but also on the future direction of the company and the skills it will need in two to five years. Those managers continually define “best-fit” candidate requirements, which include motivation and attitude in addition to knowledge and skills. Managers who employ best practices during the sourcing process use creative techniques to maintain a steady stream of internal and external candidates. They know the search never ends, even after they select a candidate for a specific position.

Hiring

To fulfill their *hiring* accountability, successful managers get the right people into the right jobs. They use best practices such as planned and structured approaches when interviewing, asking appropriate questions to accumulate the data that allow them to objectively compare candidates and make the best choices. They look beyond the urgency of filling a position to find the employee who offers a fresh perspective and another dimension to the team—adding a diversity of ideas, approaches and backgrounds. The best managers also understand the importance of representing the organization well, making a good impression on the candidate, and communicating the organization’s vision and values. They show respect to all candidates by treating them with

concern and honesty—allowing the candidates to determine whether they are a good match for the company.

Onboarding

Getting new employees comfortable, connected and productive as soon as possible is the manager’s role in *onboarding*. When managers communicate the “big picture,” new employees can understand how their roles support the company’s goals. When a manager takes the time to build a relationship with an employee, that employee

becomes a member of the team.

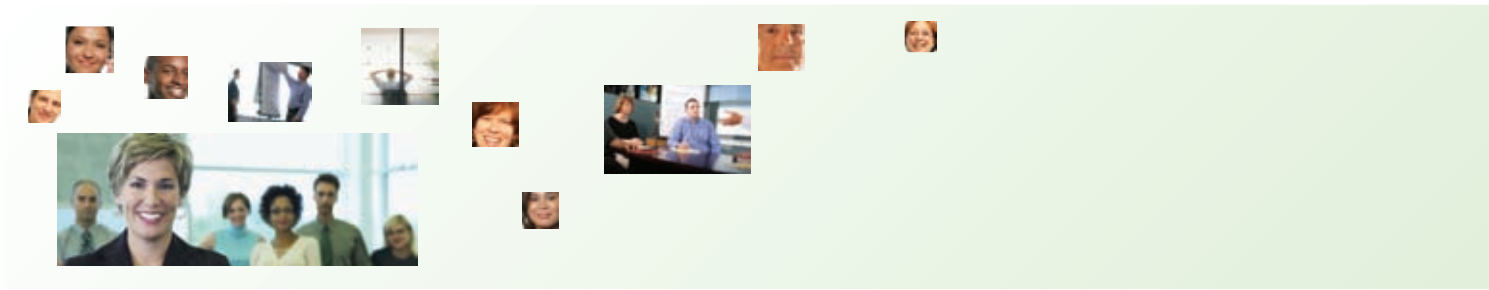
The availability of resources is also important to new employees. The best managers create a support network for their new hires to help them quickly get up

to speed. These managers also realize that being available to answer questions and provide feedback is a critical investment of time.

When it comes to attracting the right employees, hiring managers at every level within the organization need to take bottom-line responsibility for finding, hiring and onboarding new employees. Managers who are proactive throughout the entire attracting process ensure that the organization has the talent best suited for today’s—and tomorrow’s—needs.

With the right people on board, the battle shifts to retention.

“Getting new employees, comfortable, connected and productive as soon as possible is the manager’s role in onboarding.”



Retaining Productive, Engaged Employees

Although keeping good employees has never been easy, it's getting even harder. Competition for workers is growing. Competition for skilled workers—engineers, sales personnel, nurses, project managers, researchers and others—is fierce. Companies can no longer afford to worry exclusively about competition within their own industries—or even within their own countries. Globalization has led to increased recruiting from all corners of the world.

Add the ease with which employees now access information about these opportunities, and the need to focus serious attention on the retention of existing employees becomes clear.

In today's job market, employees can be much more selective about whether they stay or go.

How can companies improve retention in the face of these challenges? Once again, managers throughout the organization will make the difference.

Almost one in four workers is dissatisfied with his or her job and six in ten workers plan to leave their current employers within the next two years.⁵

CareerBuilder.com

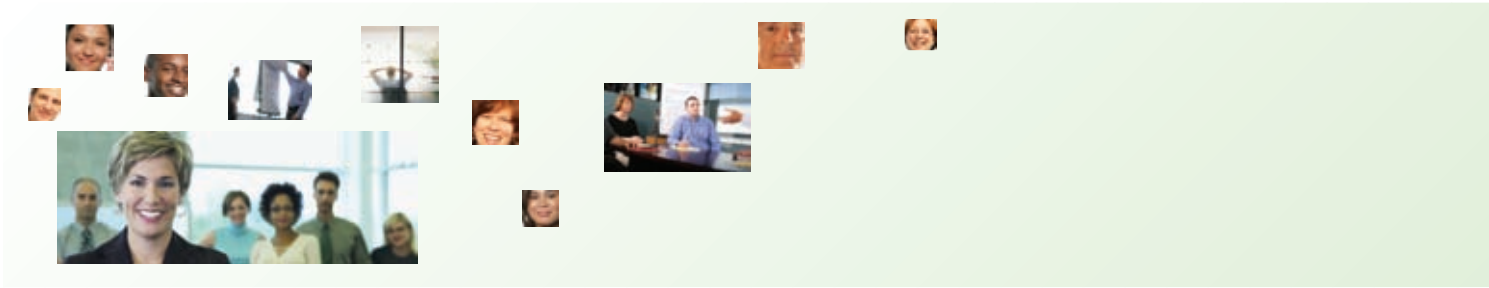
According to the HR Institute, a leading not-for-profit, academically based research organization, “a good worker-supervisor relationship is the number one contributor to employee retention.”⁶

In other words, staying at a job or leaving it isn't just about money.

Almost a quarter of 1,000 survey respondents said that unhappiness with management was most likely to cause good employees to quit their jobs.⁷

Robert Half International, Inc.

What do these employees look for in their managers and jobs? They seek job situations with interesting and challenging work, good rapport with coworkers, regular feedback from management, opportunities for advancement, clear objectives and meaningful recognition. Managers must embrace and demonstrate skill in three key retention accountabilities: **managing**, **engaging** and **developing** employees. To most managers, these aren't anything new. But in the bustle of day-to-day business they may be difficult to accomplish. What do the best managers do in these areas to improve employee retention? >>



Managing

When managers *manage* well, they provide effective day-to-day supervision, feedback and reinforcement. They regularly communicate performance expectations and offer support and encouragement. They give employees clear direction and allow them to feel responsible for their work and the outcome. Managers who manage well also stay attuned to the workload of the group and proactively seek new assignments in which to involve their employees and make them feel productive.

Engaging

When managers *engage* employees, they keep them connected with and enthused about the organization by communicating overall goals and the employees' role in achieving those goals. When employees connect their daily activities with the vision of the company, an "Aha!" occurs. They develop a vested interest in their personal success as well as the greater strategic success of the company. Effective managers also discuss career growth proactively and clearly with their employees, recognizing effective performance and supporting professional development options. When work–life balance is the issue, as it often is in today's fast-paced business environment, the best managers work closely with employees—sometimes even "bending" the rules—to support their responsibilities away from work.

Developing

When managers *develop* employees, they provide opportunities to increase skills and abilities. They advocate learning opportunities—classroom-based experiences, online options, cross-training opportunities, mentoring programs and more. They encourage an atmosphere of continual learning, guided by ongoing development discussions that explore employee aspirations. Then, when a

Seventy-six percent of employees who didn't feel engaged with a company's strategy said they might leave the company for other employment.⁸

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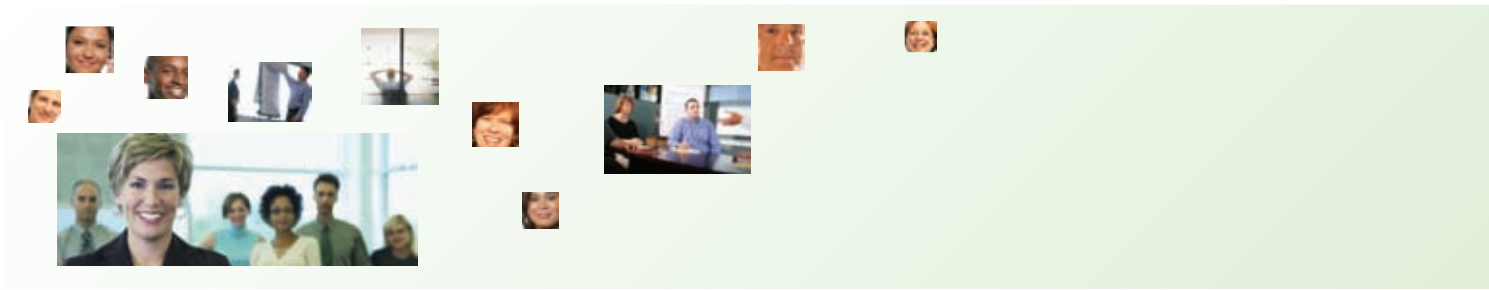
stretch assignment appears, the manager matches the right person to the job. Exceptional managers maintain a long-term vision of their talent needs. They

empower employees to take charge of their own development, they build on employees' strengths and they provide support in developing skills for the future.

Retaining

Retaining high performers is more challenging than managing the day-to-day tasks of a workgroup. Accountable managers understand that this requires regular involvement. There is a time investment, but there is also a reward.

Eventually, productive and engaged employees want and need additional challenges to continue to grow and contribute to the organization. That's when a manager's skill in transitioning employees becomes critical.



Transitioning Employees

It's easy to see how managers can get caught up in self-serving behaviors when it comes to their productive—sometimes “star”—employees. After all, they are tasked with getting results in their departments or groups. If they've done well managing and developing their employees, they may be reluctant to part with talent or risk the productivity impact of a change.

But the organization can be seriously affected when managers are unwilling or unable to look beyond their own immediate needs. The company needs new leaders as others retire, to retain the expertise and knowledge that employees have developed over time and to minimize turnover costs and productivity drains. In short, customer loyalty, financial success and overall reputation depend on the movement of employees within the company. On the other side of the coin, it's often difficult for managers to take action when an employee isn't performing well. “At least I've got someone in the job”; “I don't have time right now to deal with the problem”; “I'll look for someone else later”; or, worse, “I think I'll encourage him or her to go to another department.” Taking action can be

time-consuming and emotionally draining. Doing nothing or transferring the problem often seems easier. But the impact on the department, other employees and the organization as a whole can be extremely damaging.

“Leaders need to embrace and demonstrate three key accountabilities in the area of transitioning employees: expanding, transferring and letting go.”

What about the employees themselves? What's the impact when their own managers don't encourage or assist them to grow and learn? When their managers act as barriers to their movement into areas of new or

expanded responsibilities?

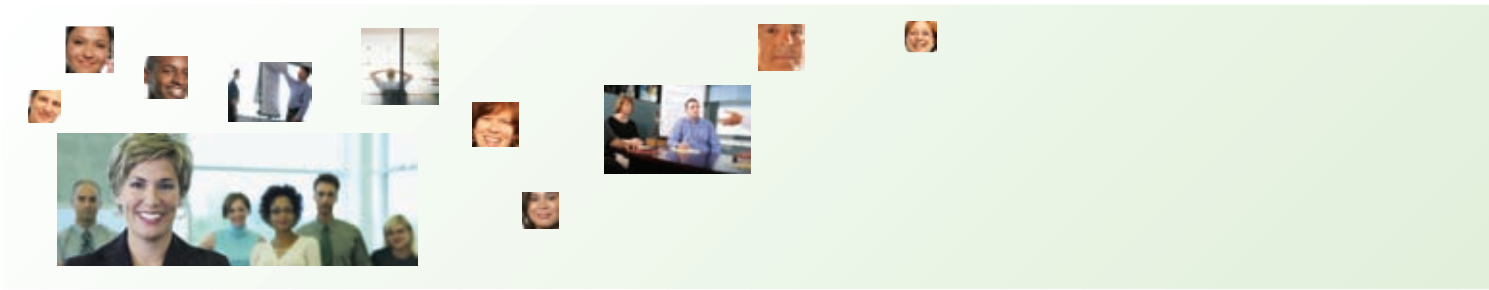
Leaders need to embrace and demonstrate three key accountabilities in the area of transitioning employees:

expanding, transferring and letting go.

Expanding

The best managers want to *expand* their employees' talents and opportunities. They find or create new intra- or interdepartmental roles and responsibilities and focus on providing growth experiences.

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» They create opportunities for employees to become visible in other departments, whether through new work responsibilities or cross-functional team involvement. Stretch assignments like these may be especially effective when promotion opportunities are not available. And if these assignments challenge and energize, employees acquire enhanced skills and are better prepared for future positions in the company.

Transferring

The best managers network with other managers to *transfer* talent for the good of the organization. They realize that top performers can make a contribution in many areas, and they know that a lateral move can have as much positive impact on an employee as a promotion. Talented employees who keep learning new things stay engaged.

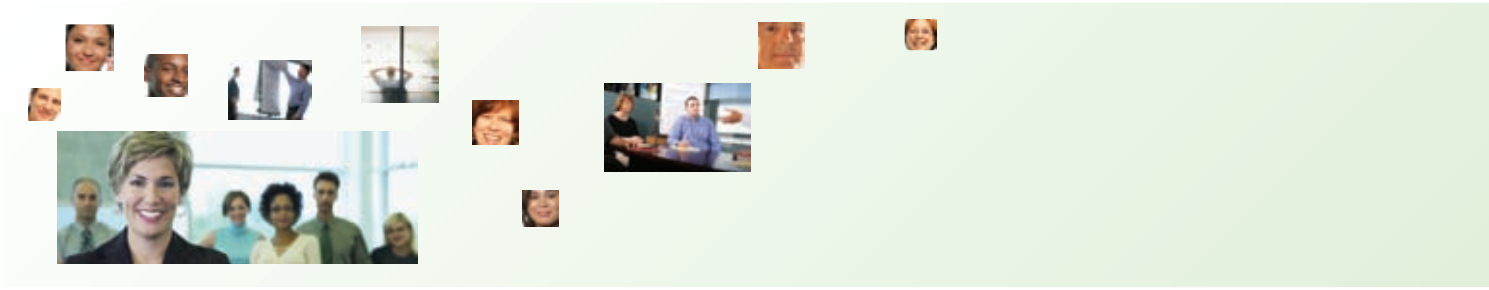
Letting Go

The best managers also know when to *let go*—when to end a working relationship. If an employee accepts a position with another company, effective managers conduct an exit interview to understand why the employee is leaving and use it as a learning experience.

Knowing the reasons behind a job move allows the manager to respond to employee attrition and make behavioral changes where necessary.

When dealing with underperforming employees who may not be a good fit within the company (in either the current position or another position), effective managers understand the importance of taking quick, decisive action. Ignoring the problem isn't good for the employee, other people in the department or the company. Managers who are accountable for talent leadership go one step further and treat every employee leaving the company, voluntarily or involuntarily, with respect and dignity. By working hard to reduce any negative feelings around a departure, they help to ensure that their company's talent management practices and overall reputation continue to be viewed positively by external and internal stakeholders.

When managers see beyond their immediate work-groups and recognize the talent needs of the entire company, they can more effectively match them with the right talent and help employees take advantage of transition opportunities.



The Role of Senior Leaders

For organizations to be successful in the war for talent, managers at all levels must demonstrate true leadership and take responsibility for attracting, retaining and transitioning employees. They can't be talent leaders only occasionally, they must make it an integral part of their job, continually understanding, believing in and performing this role.

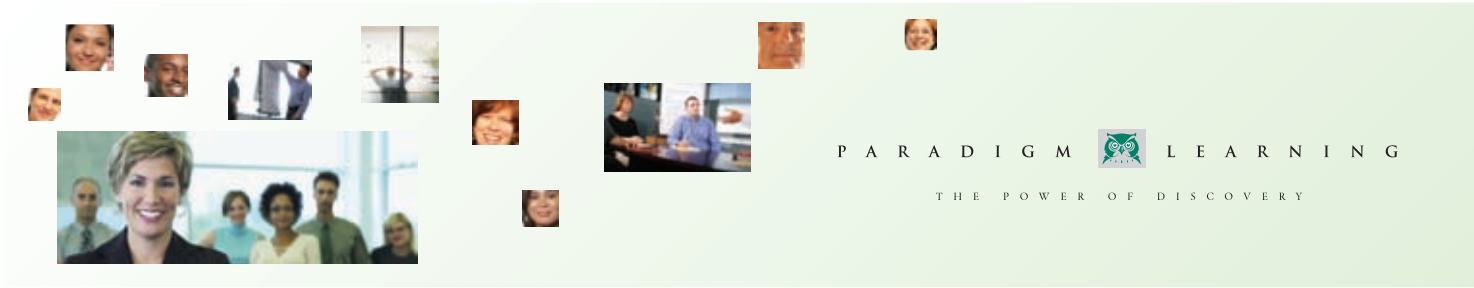
Senior executives must support their managers by recognizing the organization's talent issues—including which positions are most at risk and how well the company gets and keeps employees—and making talent a top priority. Paradigm Learning's study of talent leadership found that many executives have not yet fully acknowledged this issue or, if they have, aren't "walking the walk." Talent development, human capital management or whatever a company calls it is key to overall financial success. Skilled, committed, engaged and loyal employees allow a company to offer products and services that ensure customer satisfaction and loyalty. It's that simple. And managers are the key to finding and retaining those employees.

Senior leaders must visibly and consistently support this view of talent leadership, model best practices and provide the support needed to break down internal barriers.

Creating an environment that focuses on the proactive development of talent and supports longer-term thinking as well as short-term results will likely take more than a memo from the CEO. It may require a shift in how managers think, which can be accomplished by bringing them together in a learning environment to explore talent issues, share successes and ideas, and reflect on their personal skills and behaviors. This kind of talent-focused learning experience effectively builds understanding and strengthens the commitment to embrace talent leadership.

Managers may then require new skills, such as interviewing or performance management. They'll need to know what resources are available within the organization to help attract and retain talent. And they'll need reinforcement and rewards as they take on higher levels of accountability.

One more thing: Senior executives can help managers attract and retain employees by clearly formulating and articulating the company's mission, vision and key strategies. Clear communication to managers helps them, in turn, communicate with employees. Employees who understand where the company is going, who feel connected to its goals and who share common values are more likely to stay engaged and motivated.



Conclusion

The war for talent is real. It may be a small battle in your company right now, or it may already be a full-fledged conflict. The experts don't agree on the magnitude or the exact future of this talent crisis, but they do agree that the issues of attracting and retaining employees aren't going to get smaller ... and they're certainly not going to go away.

The best organizations, the ones that will most likely win the war, will attack on many fronts. And along the way, they'll make sure to prepare leaders—throughout the organization—to lead the charge.

Will your organization be one of them?

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