



**LEE HECHT
HARRISON**

**Managing Talent Out of the Gate:
*Trends and Best Practices***

**John P. Morgan
Senior Vice President
Regional Director – Leadership Consulting
Lee Hecht Harrison**

Setting the Context for Today's Topic

- Based on our strategic goals, which talent pools are most critical for success?
 - How do we identify critical talent and develop, engage and retain them?
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Critical Talent Segments

- What must the organization look like in 5 years and how will my human capital support my vision?
 - Where does our strategy require that our talent and organization be better than our competition?
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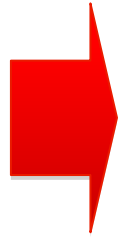


Future Development Needs

- With a limited budget for human capital, how do you align investments with strategic imperatives?
- How do I determine what areas of human capital investment will yield the best results?



Investments Required



Critical Talent Segments



Future Development Needs



Investments Required

Critical Talent Segments

- Who is your critical talent?
- How are you addressing the needs of your talent segments?
- Does your Employee Value Proposition meet the needs of the talent segments?



Critical Talent Segments

Will your Hi-Pos be ready to lead the organization?

Top Talent

Do you have the executive team you need to take the business forward?

High Potentials

High Performers

Do you plant the seeds of leadership development early?

Managers

Are your managers causing or stemming attrition?

Critical Talent

Broader Workforce

What does a new employee experience?

New Employees

Can you differentiate your brand based on your rank and file employees?

Marrying business logic with talent logic is best accomplished during the strategic planning process

Functional area	Management processes	Common frameworks
<i>Finance</i>	Reporting; Capital budgets; Operational budgets	ROI; Revenue & expenses; EVA
<i>Marketing</i>	Customer/ market segmentation; Product management; Market research	Product cycles; Customer attributes; Purchasing power
<i>Strategy</i>	Strategic planning	External forces; Competition; Trends; SWOT
<i>Operations</i>	Inventory management; production planning; quality	SOP; MRP; 6 Sigma
<i>Talent Management</i>	Succession planning; Competency models; Performance management;	Competencies; 9 box Performance/Potential; Impact

Forward-Looking Workforce Requirements

Adopting a process for assessing future work requirements and individual potential is key to an organization's evolution. Dr. William Rothwell, a former insurance executive and professor at Penn State, has developed a stepped approach for looking at the future work of an organization.

- **Future Positions** - *What key positions are likely to emerge in the organization's future?*
- **Requirements** - *What will be the work requirements in those positions?*
- **Bench strength** - *What is individual potential, and how should it be assessed?*

Forward-Looking Workforce Requirements

- *What key positions are likely to emerge in the organization's future?*
 - Environmental Scanning – examining trends
 - Organizational Analysis – examining how an organization is positioning itself to address future challenges
 - Realistic Future Scenarios – scenario analysis
- *What will be the work requirements in those positions?*

- *What is individual potential, and how should it be assessed?*

Forward-Looking Workforce Requirements

- *What key positions are likely to emerge in the organization's future?*
 - Environmental Scanning – a systematic process of examining trends
 - Organizational Analysis – a systematic process of examining how an organization is positioning itself to address future challenges
 - Realistic Future Scenarios – a process of scenario analysis
- *What will be the work requirements in those positions?*
 - Future-Orientated Job/Task Analysis
 - Assess Future Competencies
- *What is individual potential, and how should it be assessed?*

Forward-Looking Workforce Requirements

- *What key positions are likely to emerge in the organization's future?*
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- *What will be the work requirements in those positions?*
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- *What is individual potential, and how should it be assessed?*
 - Global Assessment; Success Factor Assessment; Individual Potential Assessment

Critical Talent Segments





Critical Talent Segments



Future Development Needs



Investments Required

Future Development Needs

Illustrative: Leadership Development



*What distinguishes **highly effective senior executives** from their average counterparts?*

Study Overview:

- *“Leadership Best Practices for Senior Executives in North America”*
- Conducted by Management Research Group (MRG)
 - Based on MRG’s 360 leadership assessment
- 2,021 senior executives in over 500 companies
 - Cross-section of industries and functions

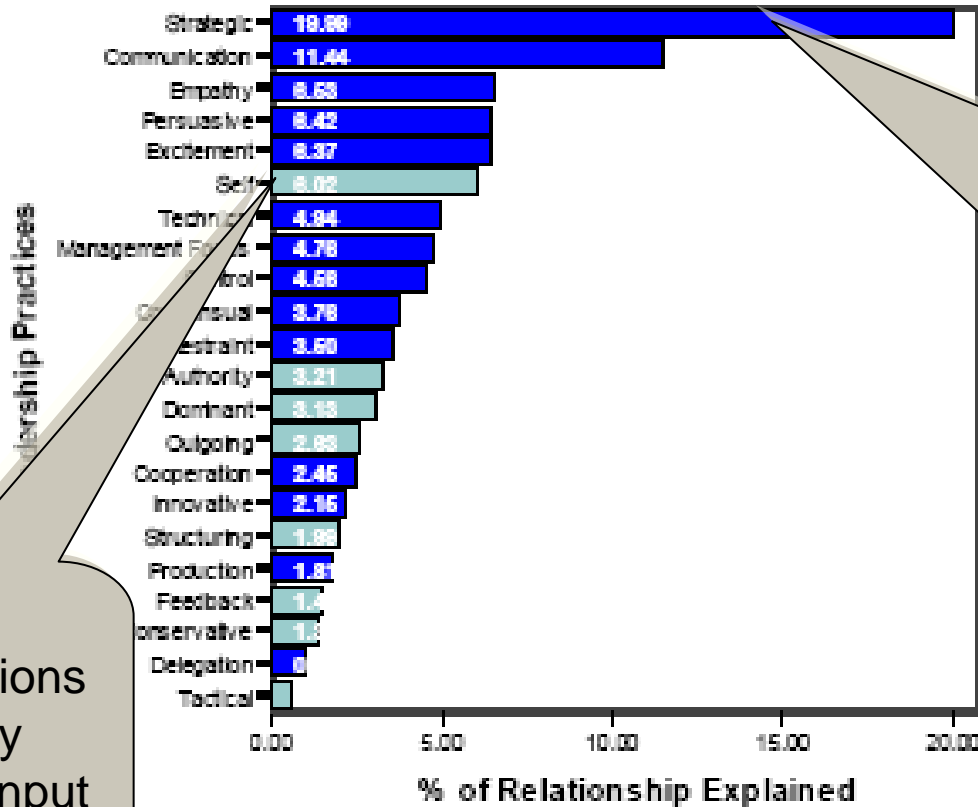
MRG's Leadership Effectiveness Analysis[®] (LEA[™])

Leadership Functions	Behavioral Leadership Practices
<i>CREATING A VISION</i>	Conservative, Innovative, Technical, Self, Strategic
<i>DEVELOPING FOLLOWERSHIP</i>	Persuasive, Outgoing, Excitement, Restraint
<i>IMPLEMENTING THE VISION</i>	Structuring, Tactical, Communication, Delegation
<i>FOLLOWING THROUGH</i>	Control, Feedback
<i>ACHIEVING RESULTS</i>	Management Focus, Dominant, Production
<i>TEAM PLAYING</i>	Cooperation, Consensual, Authority, Empathy

Leadership Best Practices for Senior Executives

Leadership Best Practices

Relative Importance of Behaviors for Effectiveness



Strategic (high):
Analyze the future impact of their decisions and understand the impact of these decisions throughout the organization

Inverse Relationship

Self (low):
Making decisions collaboratively with outside input

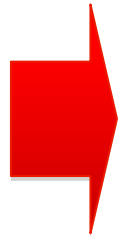
Total Percent of Effectiveness Explained = 68%



Critical Talent Segments



Future Development Needs



Investments Required

Quick Discussion

By a show of hands, how many of your Companies have formal talent management programs for high potentials?

What types of development activities are you providing? (particularly for leaders, present & future)

Common Talent Development Activities

% of respondents

Activity	Frequently used	Occasionally used	Rarely used	Not used
In-house development programmes	63	28	4	4
Coaching	43	38	13	6
Succession planning	34	40	18	8
Mentoring and buddying	32	36	19	13
Cross-functional project assignments	26	38	15	22
High-potential development schemes	26	37	14	24
Graduate development programmes	25	21	9	45
Courses at external institutions	25	51	20	5
Internal secondments	23	50	15	12
Assessment centres	20	26	14	41
360-degree feedback	20	33	16	30
Job rotation and shadowing	18	32	26	23
Development centres	15	26	16	44
MBA's	12	44	29	14
Action learning sets	11	24	21	44
External secondments	6	23	29	43

Source: Chartered Institute for Personnel Development

Common Talent Development Activities

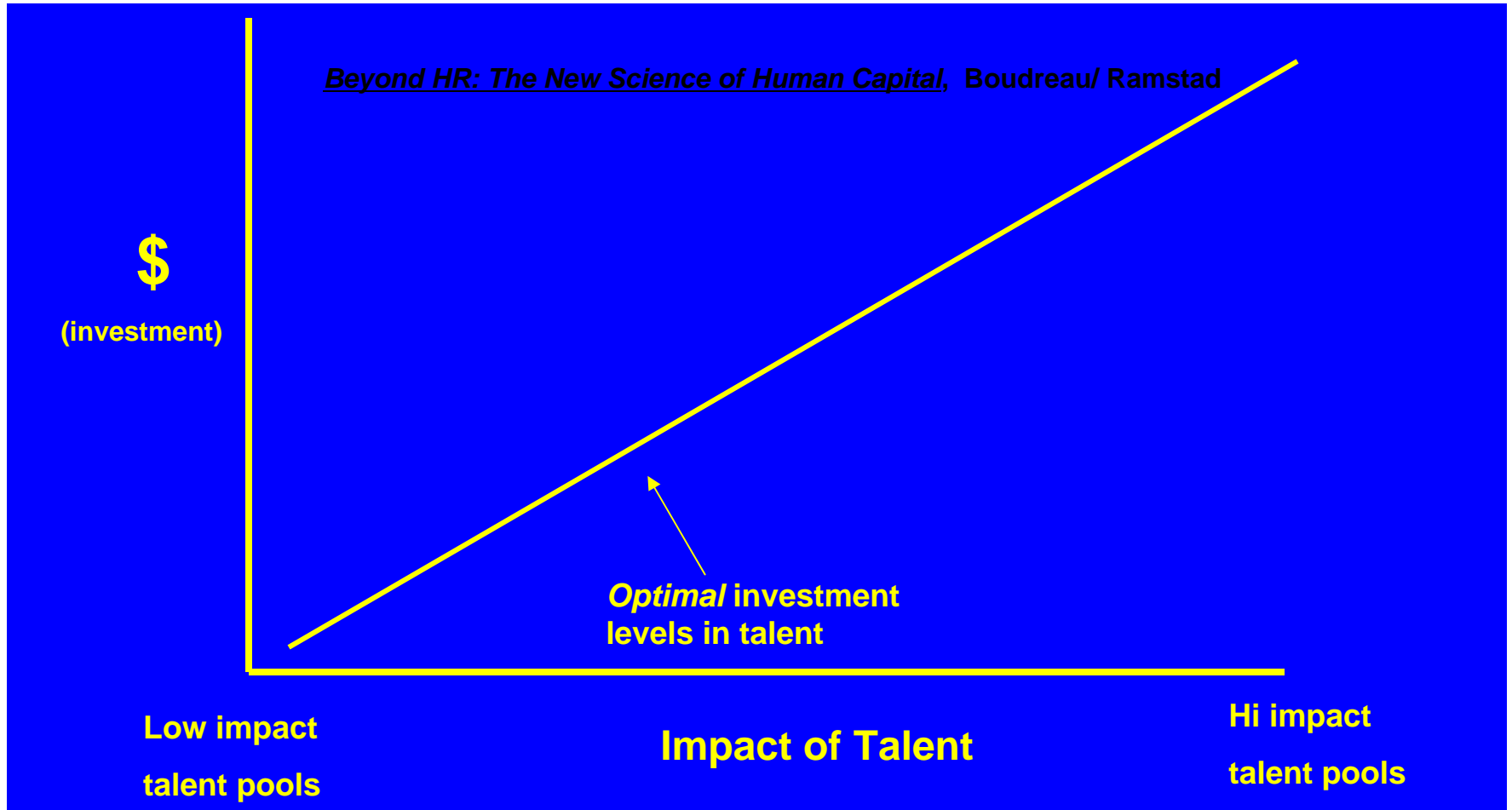
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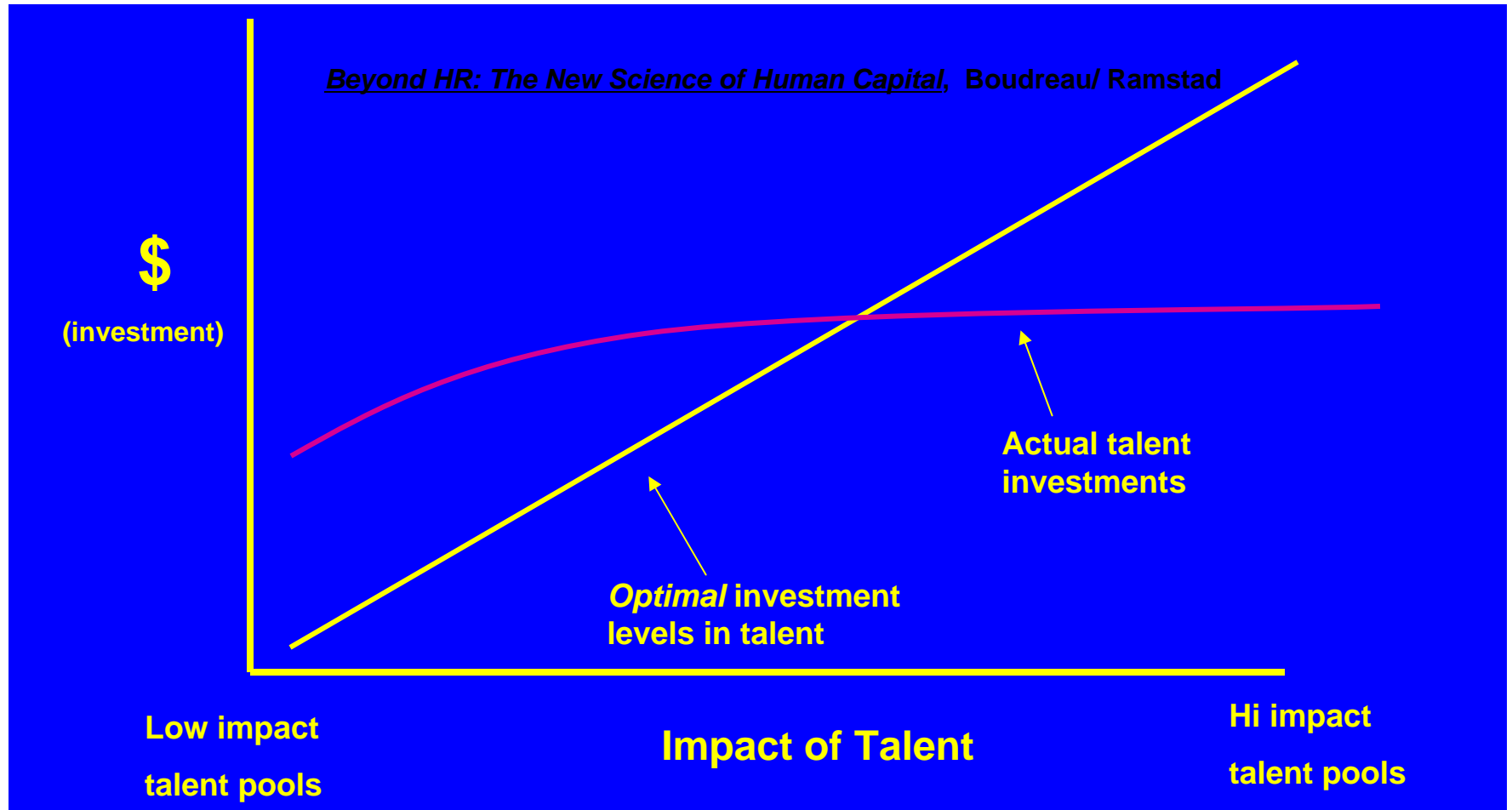
...but what investments make sense for your Critical Talent Segments?

Source: Chartered Institute for Personnel Development

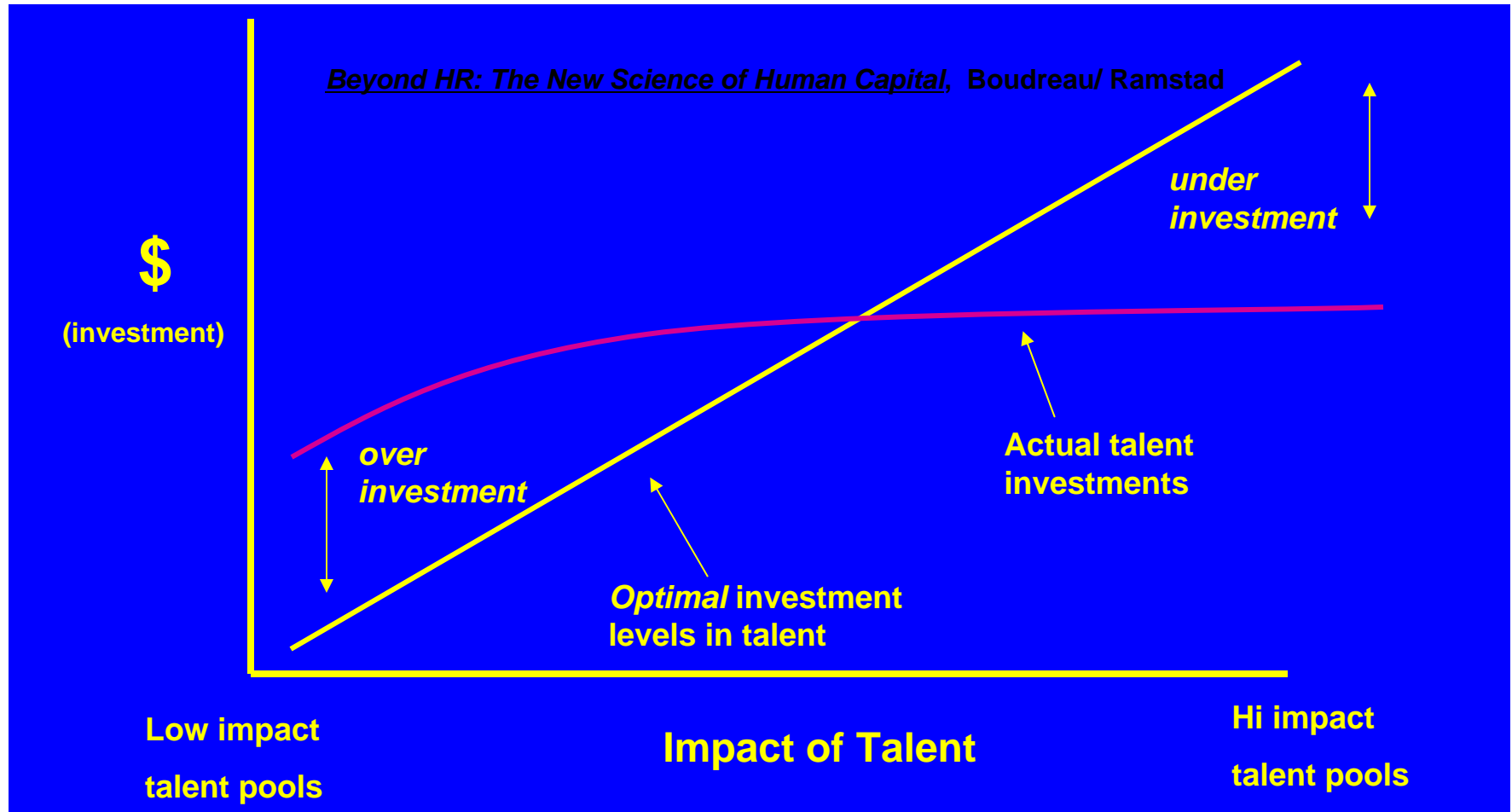
Talent Segmentation and Optimization



Talent Segmentation and Optimization



Talent Segmentation and Optimization



Developing Talent through Executive Coaching

Utilization of Executive Coaching as a development tool continues to rise with an increased focus on achieving business results

Organizations are also looking to develop 'internal coaches' who can develop future leaders of the organization—a trend towards building an internal coaching culture



Developing Talent through Executive Coaching

Business Alignment

Coaching should be **aligned with the organization's strategy and objectives** and with other HR learning related activities.

Multiple Stakeholders

Coaching is most successful when it **contributes value** to the individual, work group, manager and organization, and involves the manager, HR and other team members who can contribute to and recognize its success.

Sustained Results

Coaching is an **ongoing, experiential learning process** that occurs over time and is evaluated by the measurable results that can be created and sustained on the job.

Leaders Develop Leaders

Coaching assists leaders to **develop themselves first** and then take accountability for developing other leaders.

Leaders at All Levels

Coaching and leadership can occur at **all levels** and in any position in an organization.

Behavioral

Many aspects of leadership are behavioral in nature and can be **learned and developed**.

Agility

Coaching assists leaders who work in a complex **environment of paradox and contradiction** to become more agile.

How Effective are Managers at Coaching?



Source: Towers Perrin Talent Report.

Quick Discussion Topic

How effective are your line managers at coaching their employees?

Summary: Where to Start?

Critical Talent Segments



- Implement periodic and annual talent management processes that create consensus on critical talent needs
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Future Development Needs



- Quantify development needs by critical talent segment and benchmark externally
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Investments Required



- Align development approaches and investment levels by critical talent segment
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Questions?