

USE OF TALENT MANAGEMENT IN CAREER OF THE EMPLOYEE

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Abstract

This paper looks at the connected processes of talent management and career planning – how they can be organized and supported and what benefits can accrue to enterprises and individuals. It looks at the connections to related activities, including performance management and tools such as 360 degree feedback. It concludes with some recommendations and tips.

Key Words- Talent Management, Career Development, TalentCompassn, EVP, Environment In Pharma

“Talent is the sum of a person’s abilities – intrinsic gifts, skills, knowledge, experience, intelligence, judgment, attitude, character and drive. It also includes the ability to learn and grow.

“The most effective leaders and managers at all levels who can help a company fulfil its aspirations and drive its performance”

(War for Talent, 2001)

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1. Introduction

When Enron embarked on its high performance, risk taking, internally competitive people strategy, it did so without the knowledge that some of the resulting stars would end up in goal a few years later. When the globally revered and hugely talented (sic) consultancy, McKinsey, elected to focus on Enron as one of the key case studies in their best selling “War for Talent”, they too had no idea that they were backing a reputation-threatening disaster.

Similarly, when a London Business School professor was writing in Harvard Business Review in March 2007 about RBS’s strong Scottish golfing culture and morning meetings with Sir Fred Goodwin, which “force (senior) employees to think about speed to market” and which “reinforce the collective accountability of the team”, this was not interpreted to warn of the dangers of, for example, “uniformity and control” versus, for example, the importance of “challenging group think” or the need for “rigorous risk assessment”.

All this we can say in glorious hindsight. So if there is one premise that we start from in this white paper it is that spotting and developing ground-breaking talent can be a risky and sometimes disastrously unsuccessful venture. Allied to that sense of trepidation must surely come a huge portion of humility – that the process is often hugely unscientific, grounded in values that often go unstated and in practices that normally serve the interests of those that have benefited in the past rather than necessarily those that will best serve the company in the future.

But of course, talent management goes on, as enterprises continue in their mission to “succeed through people”. They recognize both that talented people, however defined, make a disproportionate contribution to business success and that the way you manage talent significantly affects everyone’s performance.

2. The Case for Talent Management

What is involved in talent management and how does it relate to “career”? Why is it so important, even (especially!) in recessionary times?

It would be natural, if short sighted, if a focus on talent and career went slightly hazy during a major recession. But a quick reflection on the underlying purpose of talent management

would suggest that this focus needs to be quickly restored.

There will be no more important time for an enterprise to demonstrate effective leadership through people who really understand the business, live its underlying values and command respect, at whatever level in the organization they currently work. Such Talent people will be key to maintaining the energy, engagement and motivation of their teams and across the whole work force. They will be called on to demonstrate that the company culture does not buckle under pressure in a way that will undermine its credibility in the future.

Inevitably the enterprise will be placing a high priority on controlling costs and raising staff efficiency, but at the same time in ensuring its talent is retained and not lost to competitors. It will focus on recruitment costs and quickly realize that the best control of those costs comes from retaining and developing the talent it has already bought and removing the need to look elsewhere. Having said that, it will know that these conditions offer the best opportunity to target key external talent and acquire competitive edge.

It also knows that it is not a time to acquiesce in below par performance – or be comfortable with the C players as they are sometimes known. A talent management strategy includes how to deal with C performance as much as promoting A performance.

And if organizations sometimes need a “burning platform” or a rationale to focus on change and performance improvement, a recession certainly provides it.

Precisely why this issue of recruiting, developing and retaining talent has become such a key topic is intrinsically linked with recent history and economic changes. Mucha (2004) argues that it is has its roots in good economic times, when top talent, high performers or MBA graduates were energetically sought by different organizations. The recent economic downturn has highlighted the need for a broader view on managing talent –

“If a company cannot keep its talent, it will be buffeted by the storms of recession, or in good economic times, it will fail to maximize its competitive edge”. Indeed.

Commentators have also pointed out that the roots of talent management can be found in the outsourcing of the '90s, and the slimming down of programmes such as graduate recruitment schemes, resulting in a deficit of talent for succession purposes.

Organizations were initially happy to buy in talent when needed, but ultimately this proved too expensive and often failed, as senior level external hires, as opposed to internal promotions, often struggled to adapt and fit in – and ultimately perform.

Whilst it is clear why talent became an important agenda item during the boom years of the mid to late nineties, the talent war has not abated as the economy has slowed. The talent agenda appears to be driven by three forces:

As this trend towards a knowledge-based economy continues, the reliance of organizations on talented people will increase accordingly;

ii) **The increasing demand for higher caliber management** - with the business world becoming much more complex, as a consequence of major advances in technology, globalization, mergers and acquisitions and, in some industries, deregulation, the role of the manager or leader has become correspondingly more complex – and organizations need people who can rise to these new challenges. At the same time the pool of potential managers is likely to get smaller, as the baby-boomer generation ages.

iii) **The growing propensity for people to switch from one company to another** - research highlights the inclination of employees to change jobs as and when they see fit. Where personal expectations are not met (according to what we observe later as the *Employee Value Proposition*), employees readily look for alternatives. This apparent lack of loyalty could in part be due to downsizing exercises of the '80s and '90s where the *psychological contract*, of loyalty between employer and employee, could be perceived to have broken down. Coupled with tighter labour markets, higher visibility of alternatives via internet jobsites, and often more exciting opportunities in the case of start-ups, a generation

of potential employees now expects to assume greater control in managing their own careers, at least until 2008/9.

So whilst organizations have a growing need to managing their talent, they should also be concerned with managing the careers of their employees, and it is the mix of the two - understanding the talent requirements and matching these to the aspirations and potential of employees - that can be seen as key for future business success.

So let's look first at why talented people choose to join and stay with organizations?

3. Why do Talented People Choose to Join and Stay? or what some call the "Employee Value Proposition (EVP)"?

People join organizations for a range of reasons, from simply wanting to leave their current employer to having long held ambitions to work for a given business or a well-regarded individual. And of course, money comes into it.

The "talent" literature suggests we can look at 2 main types of motivation to join:

□ **The organization and culture:** knowing or believing that this will be the right place to be, where the individual's values and preferences will mesh with the culture of the place – anything from a renowned hospital, to a world class software firm, to a famous law firm or engineering consultancy. This will be about sharing in the team values, as conveyed in the employer brand – a well managed, professional outfit, which hopefully lives up to its name when experienced on the inside. Allied to this may the reputation of the management team or particular managers (who may anyway be very active in the recruitment and selection process); and

□ **The compensation:** expecting both financial and non-financial recognition, at least in keeping with the individual's own ideas of self-worth, market value and overall contribution – or having a sense that their value is appreciated.

The converse of some or all of these is, of course, at the heart of why people leave. It is

important for organizations to understand how to drive the commitment of their employees, and research shows that:

□ **The performance of individual managers** probably rates higher on the reason to leave decision than the reason to join. As the old adage goes “people join organizations – and leave managers”; and

□ **The work environment** is also key, with employees seeking collaboration and team working, which in turn helps to provide a sense of belonging, familiarity and security.

There are also two drivers that have a strong impact on both attracting and retaining staff, and as such should provide a vital part of an organization’s EVP – and talent strategy:

□ **The challenge** - the chance to use and develop skills to the full and to build on an existing passion for the work; and

□ **The opportunity to progress** - the expectation that the individual will learn new skills, is at the forefront of developments in the field and that career advancement will surely follow as the individual’s personal stock rises.

This review of joining decisions, and what drives loyalty in organizations gives us some clear signposts towards what individuals would expect in terms of the longer term development of their career.

4. Key Questions in Designing Talent Management

Whilst business leaders appear aware of the need to focus on talent management, their sponsorship often falls short. However, to ensure that talent management is used to best effect, their commitment to the processes and initiatives is essential. It is therefore important to build a strong business case not only to ensure that the need for a talent strategy is clearly defined but that the interventions themselves have tangible measures that can be tracked, and progress highlighted.

Here are some key questions that organizations need to consider when designing a talent management strategy.

□ **Where should the talent effort be focused, what are the specific business needs?**

The focus of talent strategies varies greatly along the organizational spectrum – from those focusing on *high potentials* only to others who view all employees as *talent* - the latter giving credence to the “career development for all” mantra.

This question of focus should be driven by the organization’s business plan and resulting talent requirements – where the organization has capability gaps or where its business priorities require it to grow its own talent.

□ **What is the organization’s definition of talent?** In the absence of a universal definition it is important that organizations determine their own definition of

“talent” or “potential”. Organizations that are not clear what they mean by talent may easily identify the wrong types of individual, and undermine future success. It is correspondingly important to identify that those individuals who are most likely to strengthen an organization’s future.

Understanding what is meant by talent then is key to an organization’s talent management strategy. Only when talent is defined does it become possible to manage it – “to ensure that the supply of talent is available to align the right people with the right jobs at the right time based on strategic business objective.” (Duttgupta, 2005).

And it is probably prudent at this point to cast our minds back to the Enron and RBS cases referred to earlier, where the characteristics which esteemed researchers identified as sources of strength, proved over time to be sources of catastrophic weakness.

(We are indebted here to James Wilson at the Victoria and Albert Museum for pointing us to a useful and cautionary article on overdoing strengths to the point of dangerous excess and

weakness.) (Kaplan and Kaiser 2009)

- **What are the key measures or outcomes that the organization should expect?**

Given the focus of the strategy, specific metrics should be agreed and monitored. Examples of key metrics will differ between organizations, but may include: succession coverage; retention of talent; percentage of key roles filled internally; and reduction of external hiring costs.

- **Given specific talent needs, what is the best approach?** Whilst organizations may have differing views on what constitutes talent and their specific talent needs, in practice when looking to determine an approach organizations essentially have two options - often referred to in HR circles as the “buy or build” dilemma. It would appear obvious that developing its own talent would and should be an organization’s preferred option. If they are effective they can ensure they have the talent when they need it, they can reduce costs through decreasing the dependency on hiring externally and also improve their ability to retain those people they want. Developing talent is an organizational competence. Early and successful practitioners of Human Resource Management in the ‘80s and earlier –

IBM, HP, BP etc. - recognized the importance of a strong internal labor market in building a strong and distinctive culture and a ready supply of suitable talent for the longer term.

However, there are also real positives in bringing in talent from outside: to bring in fresh blood with new ideas and experiences and to challenge prevailing orthodoxies; to fill positions that either have no identified internal candidates, or where those identified as having the potential would take too long to develop; and to build a cadre of new role models for junior employees to follow.

As we observed earlier, an organization that is viewed as having a developmental culture may not only find it easier to *retain* its talented workforce, but easier to *attract* such talent. Indeed, research has indicated that organizations with

“Positive” employee value propositions have significantly greater access - up to 50% - to the labor market they are looking to attract (i.e. the number of potential employees who show an interest in the organization).

□ **Who is talent? What are the “entry criteria” for talent pools?** Whilst methods of identifying who is talented can vary it is important for organizations to establish their own consistent profile of talent, which can enable them to focus their development effort on those key people. What is the talent profile required by the organization to enable that success? What marks people out – critical skills, behaviors and values?

There is no standard approach to managing talent, and if there were it would be unlikely to offer competitive advantage. Organizations must determine for themselves their own needs, their own definitions and their own approaches.

And whilst some organizations and academics take the compartmentalized view of talent management, focusing on building, buying or retaining, this is not always advisable. Some research now shows (Williamson, 2003) that organizations are starting to take a more holistic view when managing their talent, “covering everything from having an employee brand that attracts the right caliber of people, to management processes that ensures the very best are developed and ready to fill roles as they arise”.

This approach appears to go beyond that of just integrating the talent management components of development, attraction and retention to encompassing other processes such as performance management and cultural change.

If organizations are to win their own “war for talent”, a more proactive approach, which predicts the future talent requirement and takes a broader view of these requirements, will lead to a stronger talent pipeline.

5. Process and Skills

Having reviewed the background to talent management, we now look in more detail at what is involved in putting the strategy into practice.

In one sense talent management and career planning are two sides of the same coin: the first

focuses on the need for enterprises to have the right talent in the right places to succeed; the second addresses the needs of the individual for progression, fulfillment and financial advancement.

For the enterprise, its priorities are:

- To ensure that this individual among many is performing well in the current role;
- That it understands the individual's potential and can begin to plan around that;
- That the individual's performance and potential is being assessed regularly, fairly and consistently, so that it can have some confidence that people in one area are being judged properly against people in all other areas (i.e. So that it is confident in its assessment across the board);
- That it can move people around smoothly and effectively in order to develop them and to maximize the utilization of the talent to hand;
- That it has a talent or manpower plan that meshes with and supports its business plan(s); as well as benefiting from talent assigned to them from other teams) – in other words, managers having a “talent mindset”.

For line managers, their priorities may be a combination of:

- the availability of reliable and easy to use tools and resources to support the process efficiently, including knowledge about training and development resources, the content of roles elsewhere in the enterprise, the likely requirement for talent to fill roles in or near their team or in the business more generally;
- confidence in their own skills in handling candid career conversations with individuals, some of which will be difficult;
- a sense that all other managers are playing a similar role and operating consistently (e.g. in assessing individual potential and performance);
- Confidence that they have access to the talent required for their part of the business succeeds.

What does the individual require from career planning?

First, it is helpful to have a sense that they have joined the right organization – one that behaves on the inside in keeping with its PR to the outside. The individual feels they belong because of a shared sense of purpose, shared values and personal recognition. They may want the opportunity to put on record their achievements and why these are relevant to their contribution in the future.

Second, the individual will soon need feedback that conveys how well they are performing and fitting in. Allied to this will be confirmation from the organization that they have a future, if only loosely defined.

Third, as time passes, the individual will gather informally and more formally information about what opportunities may arise for advancement, in the short and longer term. This will provide some basis for judging whether they see themselves staying and if so, what they need to do to move along one or other paths that appear.

Translated into process terms, the individual will need information about:

- roles - how their current role compares to other roles that they might wish to target;
- how they are performing in their current role and any indication from that whether and how they will progress – best undertaken in honest and constructive conversation(s) with their line manager, coach or mentor;
- how the organization sees them performing now and in the future, as conveyed by their line manager and/or others
- a sense that the organization is aware of their potential and has a vague or detailed picture of how the individual's career might progress – a sense that someone else is interested.

Feedback

A subject that regularly arises in talent management case studies is the use of 360 degree feedback. It is apparent from these studies that 360 degree feedback, when used properly, can be a valuable tool in raising the self-awareness of individuals, identifying strengths and weaknesses and providing the organization with data on which to base its assessments of overall performance and potential. Equally, there are warnings that off-the-shelf models wheeled in by HR are unlikely to find lasting favor with business managers. As in many aspects of management, “it’s not what you do; it’s the way that you do it”. Key things to get right are:

- Buy-in and involvement from the top, including their active (even passionate) support for the values and behaviors embodied in the 360 model to be used;
- Ensuring the relevance and validity of the 360 questionnaires and model for the organization in question, its definition of talent and its people – most readily achieved when there is a widely understood model of values and behaviors already in action. The 360 model is likely to be one of the clearest statements of what the organization expects of its talent. And as people generally perform as they are expected to, it makes sense to get this statement right!
- Briefing about the value and uses of multi-rater feedback to all participants (not just those receiving the feedback);
- Alignment of the 360 with initiatives such as leadership development, to ensure 360 does not take place in a vacuum;
- An organized process of feedback facilitation. Most individuals, given the choice tend to prefer sessions with “professionals” – the more costly option; but there is also a strong case for involvement of line managers, once they have been given a reasonable amount of training or coaching themselves (or having learned from their own senior managers how to run such sessions for their own team). Not only can the latter be more cost effective, but it

can reduce the risk of line managers being sidelined and losing any sense of ownership of the subsequent development of the individual. The win-win of line managers running feedback sessions is that, as part of the process, they will enhance their own management skills and quite possibly improve both their understanding of the individual and their working relationship.

Skills

What skills are required of line managers to get the most from talent management?

Typically, the process will be more effective when line managers:

- know the business and can take a broader view;
- See it as part of their role to attract and develop talent – including giving as well as taking talent;
- Stretch the talent through high expectations, assignments, honest and regular feedback, and support (incl. Mentoring);
- Can assess potential and run constructive and honest conversations with individuals and about their performance and potential;
- Can manage the sustained performance of people who are key to business performance – essential contributors - but who may not be high fliers or high potentials;
- Properly and promptly manage poor performers.

6. Tools

If the company is serious about managing talent, as part of a transparent and organized process of developing and placing the right people in key roles, it will need a toolset to support it, not only to handle all the relevant information, but to assure people that its commitment to the process is genuine. Case studies from organizations such as Proctor & Gamble show the value that global organizations derive from a system that compiles all the

necessary information to support well-informed career planning and often urgent decisions about assignments.

While the degree of formality of the process will rightly vary according to different circumstances and organizational cultures, the process will need information about roles and people, or *positions* and *players* as some prefer to call them.

For all but the smallest organizations, the process will require an investment in core HR information, most notably role profiles. With these in place it is possible to build up relevant information about people, their skills, performance and potential.

Roles profile should be defined especially in terms of their strategic impact and the degree to which variable performance in those roles affects company performance; some roles, while important, do not have the same impact on overall company performance as others. Clearly where there is both high impact and high variability in performance, the company needs to be doubly sure that it has the people of real strategic capability in place – the downside of getting this wrong being hugely costly to the enterprise.

Roles might be defined in competency terms, but whatever HR tools and terminology are used, the roles should describe what success will look like, how that impacts on the performance of the outfit and what qualities, experience and skills will be required for an individual to succeed.

It is not sufficient to rely on the strengths of existing potholders as defining the requirements. The role will need to look forward in terms that match the forward-looking strategy of the outfit.

Taking the process as described earlier, the tools can usefully be split into 4 main parts, each with a number of key components:

1. **Business/people plan:** this would be a clear statement of how the organization needs

to look to meet the business opportunity. It will show the key roles, where they sit in the business, how many there are and how many will need to be filled in the near future. It will contain systematically described role profiles to provide the basis for comparisons of one role with another and of roles with individual skill profiles.

2. **Career Review:** this component supports and informs conversations between the manager and the individual about the individual's achievements to date, their skills, development areas, potential, aspirations and prospective roles in the longer term.

3. **Career Development Plan:** the individual uses this to plan their progression from where they are now to their target role, using on-line access to the client's learning and development resources.

4. **Talent Pools/Succession Plans:** these identify the people who have the potential to fill specific roles; show who most closely matches the skills profile of particular roles; shows individuals' potential, career expectations and readiness for progression; informs business managers about the talent and potential inside their own organization to support assignments, development programmers and internal mobility.

Talent Compass is TPMG's tool to help individuals chart and manage their own career and development alongside conversations with their line manager or mentor. It reveals opportunities in the organization by informing the individual about other roles and enables the individual to compare their own skills profile with the requirements of target roles.

For the organization and the HR function **Talent Compass** simultaneously gathers information about people, their talents, experience and potential as key inputs to building talent pools and succession plans.

Appendix 1 describes the components of **Talent Compass** in detail and Appendix 2 provides a case study how one organization successfully used TPMG software to support its .

7. Final recommendations

We conclude with some overall recommendations about how to design and implement a talent management strategy.

- Start by building a strong business case.
- Ongoing sponsorship from the highest level is essential.
- Agree a common understanding across the business of what talent is required.
- Priorities your talent needs - be sure of your focus.
- Build the belief in the organization that how you manage talent will hugely affect your management of performance generally.
- Talent management is not just about process - of equal importance are the cultural issues relating to successful implementation, including having a developmental culture throughout the organization.
- Talent management should be looked at from a wide, strategic viewpoint – an integrated set of initiatives clearly linking the desired outcomes with business priorities.
- When trying to define talent, it may be useful to start by analyzing successful individuals, but don't stop there – will their characteristics and abilities be enough to drive success in the future (rather than simply understand what was required in the past)?
- When defining what you mean by “talent” (behaviors etc.), encourage challenge – a diversity of view may protect the organization from becoming unbalanced and narrowly focused. For example, think about how an excess of those “talent” behaviors might be damaging for the company in the long run.
- By treating everyone the same, you may lose the A performers and keep the Cs.
- Keep the process fluid and flexible to changing business requirements.

Appendix 1: TPMG's TalentCompass

We summarize here the core documents in the system and illustrate the key reports.

1. Career Review is a document that typically is initiated by a line manager and guides a conversation about the individual's potential and future direction. It includes information such as:

- last appraisal rating
- willingness to relocate
- summary of performance in current role
- experience to date
- personal strengths and achievements
- development areas
- career expectations and interests
- competency profile
- future roles (viewed and selected from a directory of roles)
- readiness for the new role
- potential rating
- other discussion points between the individual and the line manager/mentor

Current role return to top of page

Summary of performance
Has done a great job in restoring HR's reputation after a couple of rough years. Experience of the business has been critical in credibility and anticipating shifts in our policies.

Experience to date
Full HR portfolio: recruitment, L&D, IR, Pay, Systems.

Strengths
Change management - wants to do more in this area.
Business orientation

Development areas
Understanding different cultures in global business.

Individual's career expectations and interests
In the next couple of years wants to move into international talent m years running a business unit.

Competencies
Assess here the individual's demonstration of **core competencies**

Competency	Self	Current	Target
1. Achieving Results through People	2	3	3
2. Adaptability - Working with Change	2	3	4
3. Analytical and Critical Thinking - Analysing Information	2	2	3
4. Communicating and Influencing	3	3	4
5. Developing Self and Others	3	3	4
6. Drive - Perseverance - Results Orientation	3	3	3
7. Focus on Customers	4	3	4
8. Ideas and Flair - Creativity	4	3	4
9. Leadership	3	3	3
10. Team Working	3	3	3

The document supports real time comparisons of both the individual’s skills profile with a target role (person:role) and a comparison of their current role with that target role (role:role).

The screen shot shows part of the Career Review document, with a pop up window charting the individual’s skill profile vs their current and target role.

Once captured this information provides insights into the organization’s talent, its aspirations, performance and potential.

2. Career Development Plan.

Following the Career Review discussion and the selection of a preferred target role, the individual creates a **Career Development Plan** to guide their progression to equip them for such a role.

The CDP form displays the individual’s skill profile vs the current and target role and provides a framework to capture for each skill the relevant development need, action and progress. It will allow access to the client’s Learning Resources and Training Directory to allow selection of relevant courses or activities.

The screenshot displays a web-based interface for comparing competencies. It features three main sections, each with a table for 'Self', 'Current', and 'Target' performance levels, a 'Development need' column, and a 'Development action' column. A progress indicator is shown for each section.

Comparison of competencies between self, current role and target role			
Achieving Results through People			
Self	2	Development need	Development action Coaching with AA in how to stretch team aspirations and take them from vision and objectives to real achievements in short space of time.
Current	3	Improvement in coaching others' performance	
Target	3		
		Progress: 40% complete	Development course / activity: TPMG Leadership Programme
Adaptability - Working with Change			
Self	2	Development need	
Current	3		
Target	4		
		Progress: . complete	
Analytical and Critical Thinking - Analysing Information			
Self	2	Development need	
Current	2	Become more influential in the business - to ensure as key to business success.Board level influencing stand up for the arguments.	
Target	3		
		Progress: . complete	

The pop-up window titled 'Competency: Achieving Results through People' provides a summary and a detailed table of performance levels:

Development Need	Meets the Standard	Proficient	Clear Strength / Mastery
Gives instructions on what to do without explaining why or, to inexperienced staff, how tasks should be carried out.	Provides clear instructions on what needs to be achieved and how it should be achieved.	Supports and encourages people to take on stretching tasks.	Skilled in getting people to identify shared goals and best practice.
Gives vague or	Describes what success will look like	Provides the opportunity for staff to contribute ideas on improving processes and services.	Draws out the range of ideas from different people and

The screen shot shows the CDP form with a pop-up window containing the full competency definition for the selected competency.

The information from the Career Development Plan is then available for the Learning & Development function to plan and monitor their overall development programmers.

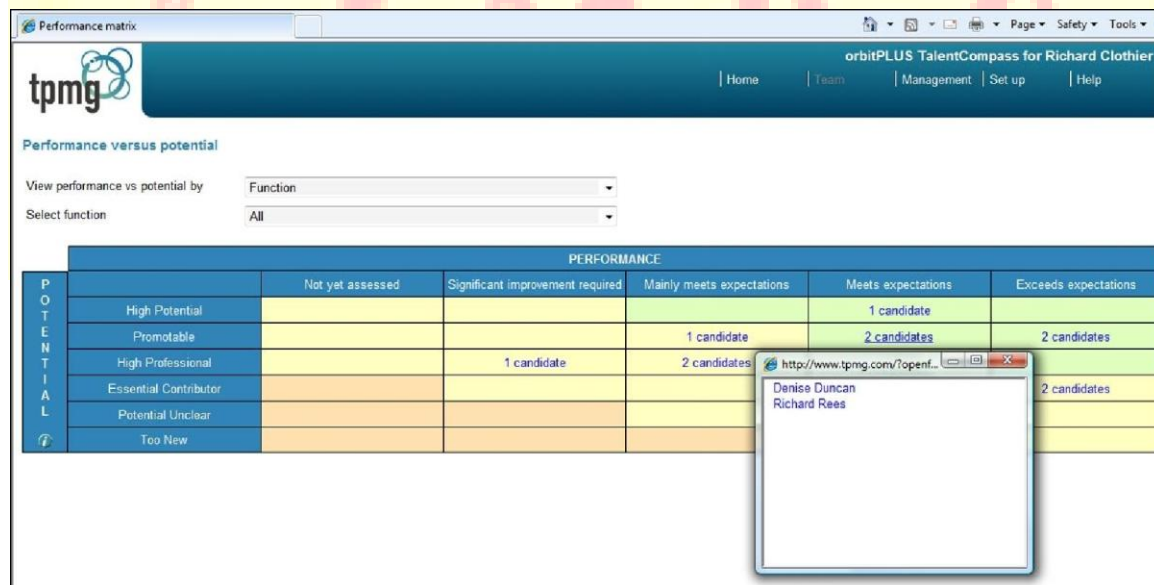
3. Role Profiles and Succession Lists

Talent Compass assembles the skills profiles for all individual users and compares them with each role profile. It displays this information both for existing role holders and for others whose profile suggests their potential suitability.

Similarly, TalentCompass provides matches for any selection of skills or competencies (weighted or unweighted), enabling the HR user to view the best matching top 5, 10, 20, 50 or all personal profiles, as required.

4. Performance and Potential matrix

Talent Compass automatically groups individuals according to both their Performance and Potential ratings. The target group may be the whole population or selected e.g. by Department. The number of individuals in each cell of the matrix is displayed. A pop up window shows the names in each cell, each linked to the relevant career reviews.



Appendix 2: Case Study of Pharma

Pharma is a leader in the development and marketing of medicines. As an innovation-focused company, Pharma knows that its success depends heavily on the creativity, performance and achievements of its people at all levels. Their culture pays particular attention to learning and to equipping people to anticipate and respond quickly to a very fast moving product and commercial environment.

Pharma believes career development is a shared responsibility between the employee, line management and human resources. It set about developing and implementing a strategy of building capability through a combination of Career Review and Talent Review processes.

The firm is growing with an ambitious programmed of product launches ahead. It has had to go outside to get new sales and marketing teams. For the longer term, it was essential that people in the organization were aware of the emerging opportunities and knew the advantages of staying with the company.

Why Career Review?

In common with many companies, Pharma operates formal performance review procedures, including personal planning for development in role. It became clear, however, that there was both a need and an opportunity in taking a longer term view. Talented people expected to be able to discuss and plan their career in the organization - it was often one of their key reasons for joining. In the absence of a formal career review process there was a danger that talented people, painstakingly and expensively recruited, would leave, unaware of the real possibilities in the company. The cost both to individuals and to the company was potentially enormous and avoidable. So the company committed to set in train a process, available to all, supported by its web infrastructure.

What is the Career Review?

There are two main parts.

First the individual meets with their manager to discuss their overall potential, in the light of recent performance in role, their personal career aspirations and their potential future roles. Key to the success of the review is the discussion about "potential". Many people were doing a fine job without any immediate need or wish to move, while others saw themselves as having potential to move immediately to a substantially larger role. In these circumstances the manager may face a difficult task in communicating clearly, objectively and sensitively the rating of the individual's potential, as seen by the manager usually after consultation with his/her own manager (grandparent). The manager is also expected to substantiate that view, both to satisfy the individual and

later the manager's own peers. In the desktop system this is known as the *Individual Career Review* (ICR). Information from the ICRs subsequently feeds the management discussions in the Talent Review process, described below.

Second, once the ICR is completed, the individual uses a Career Development Plan, a document automatically created by the desktop tool, to chart a development course from their existing role to their preferred new role, identifying the key development needs and actions along the way. This connects the individual to the company's Training and Development database where they can view the relevant activities and courses. It was fundamental to the firm's philosophy that the individual *owns* that document and the development plan contained within it.

The briefings

Working with TPMG on both the process and the desktop tool, the company ran a series of briefings for all managers over a two month period to provide them with a chance both to share the thinking behind the process and to be trained in using the software. The software itself provided all the information that employees and managers would need to conduct the review and to implement the Career Development Plans that emerged, including access to all role profiles. At the end of the session, managers left ready and equipped to use the system with their teams.

Talent Review

The take up was rapid and wide-ranging with around 95% of all employees completing a Career Review within the first few months. The information equipped managers and HR specialists to make the fairest possible assessments of who should be offered places on key development programmers or ultimately offered more senior or key positions.

Following the completion of the Career Review sessions, the internal Training and Development team ran business-based workshops in which each functional management team was able to take an overview of their expected requirements and the talent already identified. They were asked them about their people issues, talked about individual career reviews and the extent to which the right people were coming through to face the challenges ahead.

At Board level the HR team were able to talk about *high potential* people, using the tool to project all the information they needed: for example, "how many people wanted to be an area representative selling specific drugs; let's look at their potential and readiness" – with online reports identifying who they were and how ready they were to take up the roles.

Why so successful?

Why was it such a success? The real driver was the business need, knowing the scale of the challenge around the corner. The company was also realistic about the scale of the briefing and training requirement and the importance of getting that right.

The process made Pharma a far more attractive proposition to people wishing to extend their career in the company. It also helped people connect their short term performance with their longer term potential and progression, so the firm was losing fewer staff to its competitors. And perhaps for the first time they were having properly informed meetings about people, their talents and their potential.

Reading List

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