



Talent Management

What is it and how can you do it?

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What is Talent Management?

You've probably heard of it but do you know exactly what it is?

It's one of those definitions that when asked you invariably get the answer of "It's about managing the talent with your company"

Well, ask a stupid question I suppose!

I'll not be giving out a GOLD STAR for that definition!

That's obvious!

Moreover, Talent Management is a process.

It is a process and an activity that ensures that your company:

- Finds the best talent
- Attracts the best talent
- Retains it's talent
- Develops it's talent
- Motivates it's talent
- Stretches it's talent

What "Talent" do you mean?

Many people think that the process of Talent Management is all about looking after your high achievers and those with the greatest potential.

Those people are correct to some extent.

However, the process of Talent Management is concerned with the Talent of ALL EMPLOYEES. You would like to think that you are employing talented staff after all wouldn't you?

Every member of staff has talent and it should be developed.

Talent Management is about providing solutions to nurture talent at all levels.

It is a continuum.

To be successful in any Talent Management initiative it is wise to take a look at the following areas:

- Know what your requirements are up-front
- Conduct a talent audit
- Know how to find and attract your talent
- Know how to retain your talent
- Know what motivates your talent
- Train and develop your talent
- Have a succession plan in place
- Reward your talent

Let's take a whistle stop tour and look into what each one means.

What are your requirements?

It is important right up front before you start on any Talent Management initiatives that you can actually document the following:

- A statement of why Talent Management is important to your company
- What it's overall objective is? Why bother?
- Where it fits into your overall company and HR strategy
- What key considerations are important to your company when designing each initiative
- What your critical success factors will be in determining the success of the programme
- How will you measure the effectiveness of the programme?

The above are important to provide a baseline position and will act as a good reference point for your Talent Management initiatives.

They also get you to think about your TM strategy and how you will know if it is working.

Talent Audit

One of the first things you will want to do is identify the key talent groups within your company.

You will have to work out some ways of how you will do this.

You will want to identify those people with the greatest potential, the high flyers, management material and those with the key roles that are critical for your organisation's success.

You will also want to look at any single points of failure. These are the key people that if they handed in their notice tomorrow you would be in a big hole.

When I was Head Of Operational Planning for Barclays contact centres many moons ago it was only when I was head hunted to work for a company in the City that they realised just how much knowledge, skills and capability I had and how much reliance they had on me.

There was no natural successor to me. No-one had the same knowledge as me nor the contacts.

They were coming from a view point of "It it isn't broken don't fix it" but that does not work with the key roles within your company.

You just cannot take people for granted and assume that they will stay with you forever.

What happens if your key people are off with a long term illness? It's not just about taking measures against people leaving your company you also need to factor in any sort of absence and that includes internal promotions as well as sickness

You need to take preventive measures BEFORE anything like that occurs.

Hence a Talent Audit will help you to do just that.

Some ways to identify the talent within your company:

- Use your existing performance management system to cream the top % of your high performers
- Line managers can perform a "Risk Audit" for any of their key staff
- Senior manager workshops
- Assessments for high flyer programmes

How to find and attract the talent

Whilst pay and benefits will ensure that the top talent sit up and take notice of what you have to offer you need to think more strategically than this.

You need to “position” your company in such a way that it becomes a highly desirable place to work to outsiders.

Think of how you can accomplish and illustrate the following to outsiders:

- How can you develop the image of your company to the outside world?
- How can it be recognised to others that it achieves results and delivers a superior service and/or products than the rest?
- That you offer a degree of job security?
- A remuneration and benefits package that rewards performance and effort
- You offer excellent training and development opportunities
- You offer career progression
- Great working conditions and environment to work in

For the top talent to be attracted to work for your organisation it is very useful that they have some kudos about working with you.

What would it be like for them to have your company name on their CV?

Would it dramatically improve their employment prospects in the future?

With this, you want to get them “in” to your company.

When they are there it is your job to ensure that they stay there and develop their talent so that they will not leave.

I always remember what attracted me to work for Barclays.

At that time I was regarded as a “High Potential/High Risk” employee. i.e I had the makings of going all the way to the top but also the makings of being poached to work elsewhere.

The most important factor to me at the time was their commitment to my training and development and they made good on their promises as well.

Another important factor for me at that time was getting on the property ladder and we all know how hard that is!

So they offered me a staff discount with special terms that reduced my mortgage payments by around £200 per month. Over many years the savings soon rack up!

Staff mortgages at Barclays were known as the “Golden Handcuffs”. I knew of staff there that had ridiculously low mortgage rates because they had been there for 20 years. There was no way they were going to give this up.

Many staff took them out and if they left they would have to give up their special discounts so they were locked in! It was a great retention strategy.

Think about whether you could do anything similar at your company?

What about a "Golden Hello?"

Could you offer a cash incentive to get people to move to you?

When you think about the costs of advertising, recruitment, selection and the cost of attrition, for certain jobs, it pays you to give away a £5,000 "Golden Hello" if you stipulate that they have got to hand it back should they leave within 3 years.

How to keep your talent

Before mapping out any retention strategy I recommend that you take a current state assessment of where you are and analyse the reasons why your staff currently leave your company.

To that end, if you do not complete exit interviews I recommend that you start to do them and if you have this data to hand, start analysing the reasons why.

Notice any trends of dissatisfaction and produce a "Hit list" of areas for you to look at as part of your overall retention plan.

I mentioned earlier that it is important to identify the risk areas within your business.

You will need to identify the key roles and people within your company and ascertain the likelihood of:

- Them leaving your company
- The impact it would have on your business
- How easy it would be to replace them
- The costs associated with replacing them
- Who would step into their role in the meantime and the knock on effect to their work.

Armed with all of this data you can start to brainstorm the various work-streams that are required. You will be able to group common themes together and produce an action plan for each one.

From our experience of working with over 60 HR and Training departments, here are some of the key areas that might come out of your analysis:

PAY

Is what you are offering fair against the roles that your staff are asked to complete and are they fair and competitive against similar roles in the market place?

Things to look at:

- Job evaluation
- Performance management grading and reward systems
- Market analysis
- Pay reviews
- Incentive payments.

WORKING CONDITIONS

What is it like to work here?

Things to look at:

- Office design
- Facilities
- Child care
- Gym
- Restaurant
- Free coffee
- Ways to reduce stress

WORKING ARRANGEMENTS

Are these fair and do they encourage a work/life balance?

Things to look at:

- Shift arrangements
- Working patterns
- Different shift policies
- Provide support such as lifts home for unsociable hours etc

JOB DESIGN

Do your current job designs and descriptions promote variety and empowerment or are they very prescriptive?

Things to look at:

- Would a high achiever be attracted to the design?
- Does it empower them to "make a difference?"
- Will it stretch them and enable them to grow?

INDUCTION

First impressions last. What first impression do you give to your staff about your company when they first join you?

Things to look at:

- Induction training programme
- Is adequate support in place in the early days?
- Do they have work to complete or do they feel like a spare part?

What are you doing to get them to mingle and know their colleagues?

SOCIAL

What are you offering to enable your staff to make connections within the workplace?

I have worked in environments where I made so many friends and enjoyed working with my colleagues that leaving would have been a real hardship for me.

Things to look at:

- Is it enjoyable to work at your company?
- What social events do you promote?
- What opportunities do your staff get to get together and make connections?

SKILLS DEVELOPMENT

Anything that is not growing feels that it is regressing. The same will go for your staff if you do not show a genuine commitment to their training and development.

Things to look at

- Management development programme
- Have all staff got development plans in place?
- Do you regularly offer internal as well as external training?
- Are you using individual coaching for your high flyers?

GET THE RIGHT PEOPLE IN THE RIGHT ROLES

When we were brought in to analyse the reasons why people were leaving in a company we actually found out that 54% of the staff left because they did not feel that they were matched correctly against the role!

This goes back to your recruitment and selection criteria. Make a mistake in matching people against roles and you will naturally have high turnover rates because of this.

Things to look at

- Is your selection and recruitment policy the right one?
- When was the last time you reviewed your policy and methods?
- How much time do you devote on getting it right first time?

RECOGNITION

Staff want to know and feel as though they are doing a good job.

Note that I say "Good Job" here.

Many companies only give praise and recognition for great or outstanding work and this leads to a culture of taking people for granted.

Then when they leave you wonder why!

A pat on the back goes a long way.

You should recognise people for what they do whether it is asked of them or whether it is over and above their duties.

Things to look at

- Do you have a praise culture?
- Do you have a recognition scheme in place?
- Do you have different levels of recognition? i.e corporate thank you card, formal recognition process etc

COMMUNICATION

Do your staff feel informed?

Do they know what is going on within your company and more important, why?

Lack of communication throughout the company leads to mistrust and a "Them and us" mentality. This has an impact on moral and the climate.

Things to look at

- What communication processes are in place?
- What are the channels of communication like where you work?
- If I picked a member of staff at random and asked them how the company was doing and what it was currently doing, would they know?

WHAT MOTIVATES YOUR TALENT?

Whilst money will obviously be a motivating factor for your staff, you need to see past this.

Studies show that high achievers have a lot of self-motivation and want to be stretched and challenged within their role.

As soon as talented individual starts to get bored the early warning signals will start to ring for them!

A lot of them will be motivated to do a great job due to the nature of the work and as long as they feel that they are valued by the company and are developing their skills and competencies, they will remain motivated.

Things to think about:

- What motivates your talented staff? Have you asked them?
- What other activities have you got in place to keep them motivated?
- How are your talented people rewarded and recognised?
- How are the continually stretched and challenged?

Training & Development

Showing that you are committed to the development of your staff will go a long way to keeping them with you for years to come.

Most of the organisations that we come across have implemented a Management Development Programme of some sorts for their leaders and staff with high potential.

We have indeed delivered a lot of them so we know the impact that they have on the future Senior Managers and Executives of tomorrow. As part of any MDP we design and deliver we often go back into the company at set times to evaluate the impact that the programme is having on the staff and the results have been truly remarkable with improvements in productivity, leadership and self-motivation. They really do pay off and deliver the results.

You may also want to have a look at the following with regards to your Training and Development efforts:

- Do all of your staff have objectives and a self development plan in place?
- Do you make any provision for a high flyers programme?
- Do you run internal as well as specialist external training courses?
- Do you offer online training as an option?
- Do you offer one to one coaching?
- Do you offer development opportunities for competencies and behaviours as well as skills development?
- Do you offer the opportunity for your staff to get further qualifications?
- Do you offer your staff the ability to lend or purchase business and self-development books and cd's?

Succession Planning

There are two main approaches when it comes to succession planning.

The first is to identify your members of staff with potential and then "earmark" them against particular roles in your organisation. They could be "earmarked" next to several roles at the same time.

Hence, if someone leaves you have a successor ready to take over.

Whilst this may seem a straight forward and prudent approach it is not very flexible.

Roles and responsibilities change all of the time and so can the circumstances.

For example, if someone leaves in the middle of implementing a major project you may need a different type of person to see it through. That is not a negative comment on the person that is due to take over but the circumstances may require a different personality at that time.

The second approach, and my personal favourite, is to identify a group of people from which the company will choose and select the right person. This will depend on the circumstances at the time, their current performance, the demands of the role and any other factors at that time.

This provides you with the flexibility to make the right choice – a choice that is not predetermined beforehand but one that is made in the here and now.

Rewards

No Talent Management article would be complete without the mention of the importance to make sure that your reward and remuneration policies will attract, retain and motivate your key people.

You need to think of the following:

- Will your salary scales attract the level of staff that you are after?
- Do you offer individual bonuses linked to individual performance?
- Do you offer team bonuses linked to team performance?
- Do you offer company bonuses linked to overall company performance?
- Do you offer reward and recognition programmes?
- Do you offer health care?
- Non-contributory pension?
- Gym membership?
- Child-care facilities?
- Share schemes?
- Do you offer attraction bonuses?
- Loyalty bonuses?
- What are your competitors offering?
- What is the industry as a whole offering?
- What are you doing different to the rest?

About MTD



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