



Data/dialogue balance: why it matters

Paul Lambert, of PA Consulting Group suggests that the data/dialogue balance should include real, action oriented engagement with senior leadership and line management, supported by insightful data showing how talent management will support the future strategy of the organisation

Talent management often involves a lot of conversation, without insightful data about skills gaps in the organisation; or else there is an excess of processes and paperwork ill-suited to the fast pace of today's organisation. A recent study concluded that over 45 per cent of people in the UK can now be described as 'knowledge workers' where the main focus of their work is 'thinking for a living'. However, while many senior teams acknowledge its importance to business, getting the senior engagement and business focus that is central to the success of talent management initiatives is not

easy. Essential for success is ensuring business leaders and managers are engaged in an on-going dialogue around a set of talent data that is aligned to business plans and ultimately, to business success.

The data/dialogue balance

Figure 1 illustrates the elements on both the data and the dialogue side that form an effective balance and support successful talent management. The key to success in the data/dialogue balance is business engagement. In our experience,

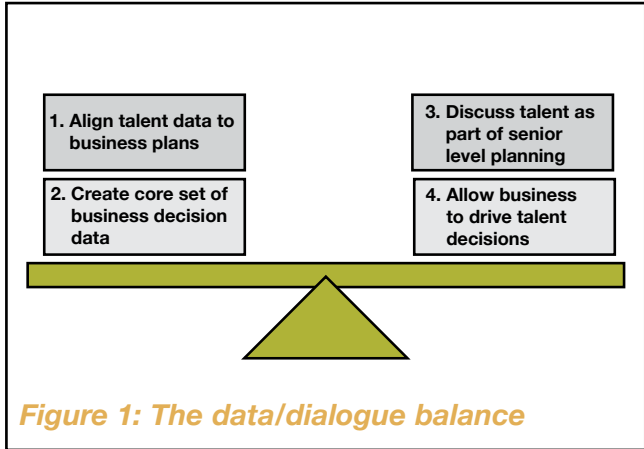


Figure 1: The data/dialogue balance

Align and map talent data to roles and skills necessary for the business plan

The first step in achieving business engagement is to relate talent issues to the execution of business plans. We find a really helpful tool in doing this is the Strategy Map (Kaplan & Norton) that we use to link the business strategy to the key talent (capability) areas (such as project management) and the roles within these areas (eg, project manager, programme manager, head of project office). Figure 2 shows an illustrated example of a strategy map for a global IT function. The IT strategy (to support the ultimate business strategy) relied heavily on the delivery of five major IT programmes, so project management was identified as a major area for talent development. A

the business will always engage when presented with the 'killer facts' around talent. For instance, in a recent client situation, we used data to show that due to the career plans of current staff and the mobility of other suitably qualified and skilled staff, one region of the country would have no skilled leaders to fill senior posts in the next two years. This was important enough for senior leaders to immediately engage with HR to devise a solution.

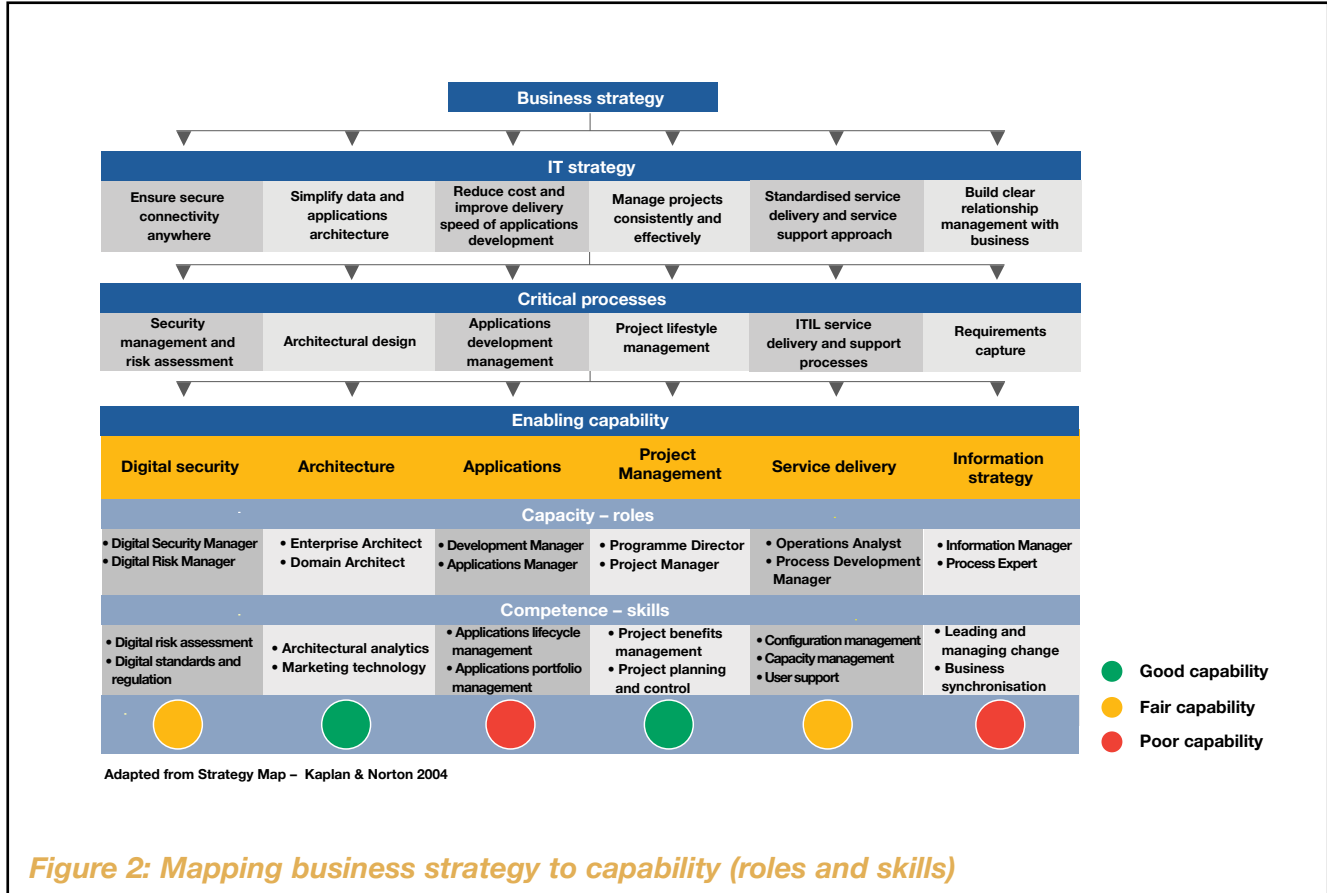
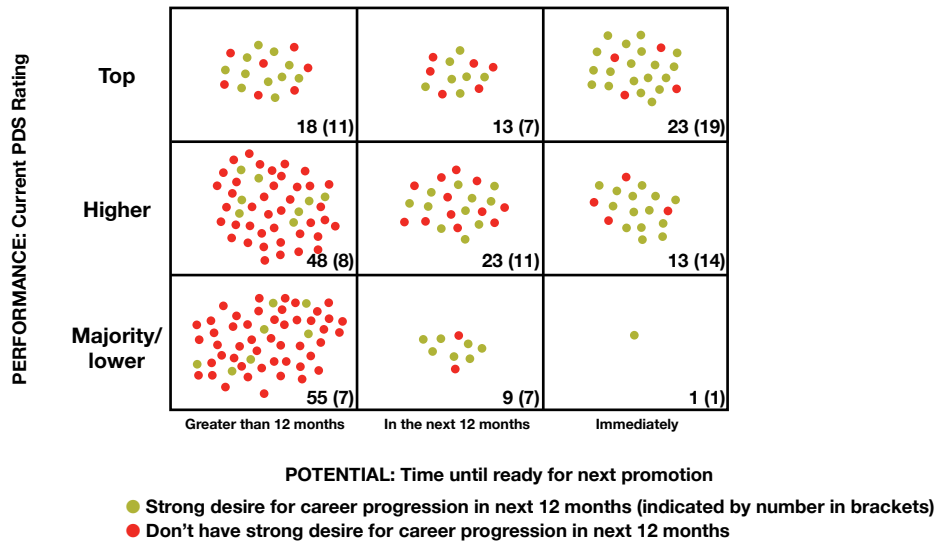


Figure 2: Mapping business strategy to capability (roles and skills)

Supply data: performance and potential and employee desire for progression



Demand data: geographical demand for key talent related to supply mobility

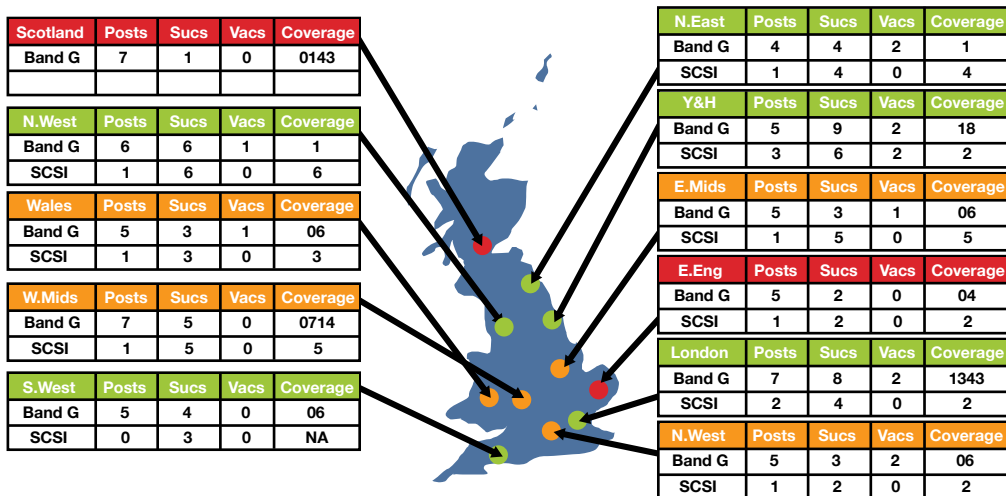


Figure 3: Supply and demand data presented for senior management posts in a large governmental department



projects centre of expertise was set up to provide training in consistent project delivery as well as accreditation in PMI (project management qualification) and a succession plan for senior project management posts was put in place.

Create a core set of data around supply and demand of talent

A second key to success is to ensure that talent data supports a business-led and HR facilitated discussion around both the supply and demand of talent. Most businesses can get a view of the capability of their current staff but find it difficult to gain a view of what the key roles are in terms of organisational jobs, geographical spread and future importance to the business.

The right data for each organisation will be different but the key questions on the demand side are:

- What are the key roles and skills for the current and future operation of this business? (not just for the leadership)
- When will new staff be needed in these roles (due to retirement, growth plans etc) and where (geographically and organisationally) will they be needed?

The key questions on the supply side are:

- What is the depth of talented individuals (in terms of current performance and future potential) that might fulfil these roles in the next one, two and five years (so we have a talent pipeline)?
- What factors will affect this supply? (e.g. mobility, geographical spread, retention issues).

Figure 3 shows the supply side and demand side data presented for senior management posts in a large governmental department.

Discuss talent from the most senior levels of the organisation and down

Once armed with talent data that is genuinely linked to business decision making, it is important the links do not stop there. Talent decision making needs to be linked to business planning processes and start at the most senior levels in an organisation. Getting on the business agenda will mean drawing from the 'killer facts' in your talent data analysis. For instance, in the global IT organisation mentioned earlier, it was demonstrated that over 50 per cent of the project management roles (that were so critical to business delivery) were held by contractors who could leave with a month's notice.

It is important to identify a senior sponsor who will then chair/lead the talent related discussions at board and senior management-level planning meetings. This is really important because talent issues often cut across the whole organisation and can not be effectively managed by those who only represent a part of the business.

There are then two parts to the senior-level talent planning discussions:

- Setting talent management principles and objectives. The initial discussions at a senior level need to identify: central

talent principles and policy (such as transparency of opportunity or governance between business and HR); what talent will be managed (typically only critical roles and scarce skills for delivery of business plans); and how progress will be monitored.

- Regular talent planning progress meetings. These need to be chaired by the senior business sponsor, have senior cross-business representation and be facilitated by HR. If they are to be effective, they need to happen regularly (eg, quarterly) and involve a consistent dashboard of up to date talent information from across the business.

Allow business managers to drive decisions with HR as the facilitator

A final hurdle to overcome is avoiding the business pushing the 'soft and fluffy stuff' on to HR or, alternatively, HR feeling the need to drive talent decisions. Success happens when the business is pushing HR for more insightful data and support to drive and imbed decisions made in the talent planning progress meetings. The role of HR is to ensure the data supports well-informed talent decisions which are then implemented effectively using the expertise of skilled HR practitioners. This creates ownership in the business but doesn't, as some HR managers worry, involve a loss of authority for HR because they are then consistently invited to the top table for their advice and guidance.

How do you execute this step effectively?

- Define a talent strategy – based on the objectives set by the business (this will ensure you maintain consistency and clear logic in the business driven decisions).
- Devolve local talent management decisions to local management groups with facilitation from HR.
- Educate managers and HR (at all levels) in how the process works.

Getting it right

Talent management works when it is business led and facilitated by HR. The way to achieve this is to have a set of update and business relevant talent data that informs decision making in business planning forums that involve HR as talent management process facilitators and advisers. ■