

SPOTTING TALENT

That Something Extra

The biggest challenge organisations face today are finding, nurturing and keeping the right people with the right skills. Whether it is growing your business, entering new markets, finding innovative solutions to current challenges or gaining the most out of your various teams, you need leaders who can think strategically, engage enthusiastically with all stakeholders, take ownership and accountability and ultimately achieve results. Some people just seem to have that **something extra** that results in a significantly higher impact on organisational productivity, profitability and success.

Unfortunately, this type of talented individual, leader or technical specialist is in **short supply**. As the skills gap continues to widen between business needs and what the education system and skills development programmes can provide, the global talent crisis will continue to dominate executive boardroom discussions. With limited and more risky options outside the organisation, more and more organisations are turning to growing their own talent pool from within. But how do you spot talent? What do you look for? What is this something extra? Where do you look for talent? Is there such a thing as hidden talent? This article explores these and other questions on spotting or identifying talent within organisations. This article is the second in the series and follows on from the previous article [Attracting and Retaining Talent: An integrated approach](#) (add link).



The competitive dynamic

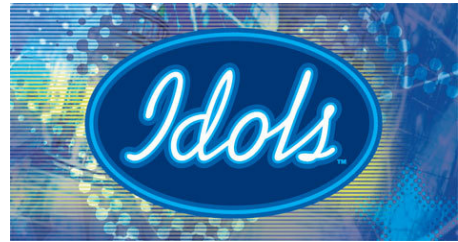
In order to understand the dynamics of talent spotting, you need to understand the dynamics of the workplace. The pyramidal structure of most organisations with only a few top jobs, results in a highly **competitive environment**, where employees from different functions or divisions compete for key positions. Managers are continually observing, assessing and comparing to see who will be the best choice when the time comes.



There is something captivating about seeing talented individuals compete for large rewards, demonstrated by the popularity and success of the hit talent shows of Pop Idols and The Apprentice. The viewing public is drawn back week after week to watch the highly stressful and emotional **elimination process** of talented young singers or business managers, all

chasing their dream of stardom or a guaranteed career launch in the Trump or Sugar business world.

The real fascination is that, as the group gets whittled down to the final two and the ultimate winner, it is not just the perfect rendition of the chosen song or project assignment that the judges or voting public are assessing, but the attitude, personality, public image and potential of the future superstar or executive. They are looking for the **full package deal** of all round talent as their final differentiator.



These reality shows reflect the assessment and selection process of the workplace where being strong technically is not enough to survive and succeed in a world of power plays, politics and personal agendas. The “perfect storm” of talent requires not only those that actively work at building their technical and leadership expertise, but street wise negotiators and networkers that have a strong track record in establishing relationships with staff, colleagues, customers and suppliers.

The profile of “talent”

So how do you identify exceptional talent? How do you know that what you see today will develop and evolve into a key business leader in the future? Talent spotting is more of an art than a science. Some leaders have a greater intuitive feel than others of seeing the potential signs of an emergent star who can be fast tracked to make a significant contribution within an organization.



Having implemented talent management strategies, processes and tools in a number of global organizations, and assisted management teams in identifying, developing and grooming prospective successors to critical positions, we have observed that talent is usually a combination of ability, attributes, track record, behaviour, engagement and aspiration.

There needs to be a certain level of cognitive, technical and emotional ability to perform well in a role. The individual also needs to possess certain key attributes to come out on top such as energy, drive, curiosity, resilience and a willingness to learn and change. Alignment with organisational values and leadership behaviours are important too. Your future leaders need to be people who build a positive organisational culture that gets results in a sustainable manner. Track record is usually a good indicator that the person is a consistent high performer, not just in technical fields, but also having a good track record in relationships and strong credibility in the organisation. The last 2 elements are important from a return on investment perspective. You want to invest in people that are engaged with the organisation, show loyalty and intent to stay. You also want to spend time and effort developing people that have the aspiration to be a future leader and do what it takes to get there.

Additional dimensions to consider which are becoming key differentiators of successful people and address that special quality of all-roundedness are the following:

- **Purpose** – what individuals want in life, what the milestones are in getting there and a picture of the end goal
- **Self mastery** – the insights needed to take action, the discipline required to stick to the chosen plan, the accountability necessary to make a difference in one's life and the confidence to build self belief
- **Mindset** – attitude is the glue that holds all this together; the right positive thoughts and appropriate inner conversations that shapes one's approach to any challenge or threat
- **Action** – a commitment and proactivity to ideas and possibilities and persistence and determination for change
- **Change** – understanding the changes occurring in the world, organizations, the workplace and locally and positioned to respond and cope with change.
- **Continuous learning** – an attitude of curiosity and openness to new information, ideas, options, opportunities and feedback from others

Assessing Potential

So how do you assess each individual against these criteria? Over the years, many people have been subject to the "gut feel", personality and mood of their boss in being assessed. Other people have been subjected to grilling assessment instruments and processes by psychologists, and been reduced to a number on a piece of paper, that does not necessarily reflect the whole person or their performance. A more accurate assessment of potential can be attained using specific tools and techniques to refine the choice and to minimise subjectivity. This requires an effective organisation wide talent management strategy and process that clearly defines the career opportunities available as well as the **performance, competence and behavioural standards** for different organisational levels and roles. For this to be effective, it is crucial that all managers are trained in performance management, coaching and development, career discussions, talent assessment tools, succession planning and in how to hold **talent forums** to review talent. These tools and processes assist the organisation to categorise and **differentiate talent** in order to match people's skills and aspirations to organisational needs. This ensures the differentiated development and retention of key players, high flyers and the management or release of underperformers to ensure fully performing people in all positions.

Two of the most practical and tried and tested tools that high performance organisations world-wide use to identify talent are a Career Management Matrix (sometimes referred to as a Leadership Pipeline) and a Performance and Potential Matrix.

Talent tool A: Career Management Matrix

Assessment of performance and potential can only be accurate if there are clear standards of performance and competence at each key leadership and technical level of the organisation against which a person can be assessed and compared. Many organisations focus just on Leadership levels, but the skills crisis demands that technical skills and career paths are managed, with flexibility to move between leadership and technical roles. From our experience, we have identified the following leadership and technical organisational levels that require differentiated development and application:

Leadership Level	Key Outcomes/ Performance Standards		Technical Level	Key Outcomes/ Performance Standards
Level 5 Executive Business Leadership	Developing organisational strategy External stakeholder management Building an effective executive team 5 yr plus plans	⇒	Level 5 Expert Business Advice	Perceived to be top in their field Initiatives business innovations Complex problem solving for business improvement
Level 4 Strategic Functional Leadership	Developing functional strategy through multi-layers Contribution to general management decisions 3-5 yr functional plans translated into annual plan	⇒	Level 4 Deep specialist Functional Advice	Further qualifications and/or in-depth experience of specialty Application for functional improvement Applies best practice
Level 3 Operational Results Leadership	Managing more than one team and more than one level Securing people and financial resources Coaching managers Quarterly/annual planning	⇒	Level 3 Knowledge worker Technical/ Professional advice	Professional or technical qualification Application for operational improvement Organisational representative in field
Level 2 Team Team Leadership	Managing a team Coaching Managing labour relations Weekly/monthly planning	⇒	Level 2 Skilled worker Technical application	Technical training to develop skills Application for team improvement Keeps abreast of technical and technological developments
Level 1 Self Self- Leadership	Shares knowledge and expertise Works in a team No direct reports	⇒	Level 1 Operator/ Admin Task delivery	Entry level skills required Task completion Team player Compliance with policies and procedures

Each of these levels require a significant change in skills, experience, behaviours and mindsets for an individual to be successful. Simply put, these levels assist individuals to know where they are, where they are going, and what to do to get there.

General Electric in the 1970's was one of the first organisations to develop and implement such a framework, called the Leadership Pipeline, as described in the book by Charan, Drotter and Noel, out of the growing need to develop leaders from within the organization. They found that people being promoted to higher levels of responsibility and leadership were struggling to make the transition from one leadership role to the next, resulting in frustration, stress and underperformance. Once individuals were trained and developed in these new skills and attitudes and coached through transitions, a lot of the pain of change was avoided.

A career management matrix becomes a key tool for potential identification and comparison of talent against standards at each level. The tool also helps to assess an individual's readiness for transitioning to higher levels of responsibility. The accuracy of this assessment will depend on the degree to which input and feedback is obtained from a variety of possible assessors (individual, manager, peers, coach and other stakeholders the person may interact with). We recommend the talent forum process as a means to obtain multiple inputs and to categorise team members into the performance and potential matrix. If the standards are clear, then it is much easier to find relevant evidence of performance and behaviours at each level.

Talent Tool B: Performance and potential matrix

Another widely used diagnostic tool to spot talent is the 9 Box Matrix which categorises people according to performance and potential against specified criteria.

		Performance		
		<i>Falls short of performance standard</i>	<i>Meets Performance standard</i>	<i>Exceeds Performance standard</i>
Potential	Retain & Move <small>(ready for transition)</small>	Ready Later – coach and develop, need intensive support	Ready now for additional responsibility e.g. short term assignment	Ready now for new level job
	Develop & Apply <small>(stretch & test)</small>	Develop skills or identify mismatch for release	Stretch and test e.g. projects / new assignments	Ready now for bigger job
	Consolidate & Contribute <small>Review, upskill, coach</small>	Correct or manage release	Maximise productivity and upgrade skills or move	Retain, recognise and utilise as coaches
High Flyers Are likely to be found in these boxes focus on development and retention		Key Players Focus on performance to ensure continued value is added		Underperformers Rigorous performance management & job matching required

The **criteria for performance** are very simple if an effective performance management system is in place. Performance targets and measures are set and reviewed annually, the result of which would be either meet, exceed, or fall short of the targets.

Exceeds Performance standard	Performance consistently exceeds requirements
Meets Performance standard	All performance requirements fully met, and occasionally exceeded
Falls short of performance standard	Performance falls short of agreed requirements

The **criteria for potential** follows the levels of the Career Management Matrix. At any one moment in time, a person has the potential to consolidate, develop or move up.

Move	Ready to move to a higher level
Develop	Take on greater responsibility and complexity at the same level
Consolidate	Stay where they are and continue to improve performance in the current role

How do you know that someone is ready to stay, develop or move? The key measure of assessment is evidence based i.e. tangible examples of results and behaviours which demonstrate the ability to perform or operate at the same or higher levels of complexity or leadership in the organisation. One needs to look for the full package of ability, attributes, track record, behaviour, engagement and aspiration.

Talent tool C: Talent Forum

The Career Management Matrix and Performance and Potential Matrix are not used in isolation or with the subjective view of only one manager, but rather used as tools in a talent review process or **Talent Forum**. The forum encourages constructive discussion and debate between peers at a similar level and results in a more objective view of assessing individuals and planning for their career development. Each manager presents their recommendations of their direct reports and gains inputs, feedback and challenge until consensus is reached on both the position on the matrices, their readiness and on actions required for optimising potential, performance and retention of key talent. In preparation, each individual to be discussed at the forum is afforded an opportunity to complete a candidate profile of career history and aspirations and to discuss performance and potential with their manager and to provide further evidence where required.

Talent Forums are the vehicles for strategic discussions and decisions around talent issues and challenges in the organisation and to ensure succession plans are in place for mission critical positions and scarce skills. It is recommended that talent forums are held at different levels of the business ensuring talent pools and critical staffing issues are identified at each level and communicated upward ultimately to an Executive Talent Forum.

Talent categories

Once people have been placed according to performance and potential, the number of **high flyers, key talent and underperformers** you have at a level, in a department or in the organisation as a whole can be ascertained. We have found that the typical distribution of talent is 20 % High Flyers, 65% Key Players and approximately 15% of underperformers. This facilitates differentiated development and actions for different groups of talent. Typically, high flyers can be fast tracked to fill mission critical positions, key players can be stretched and tested for higher performance and impact, and retained for their specialist and scarce skills. Succession planning should be a direct function of deploying the right people now and in the future in these positions.

Mission critical positions are those positions that are critical to the ongoing operations of the business without which would lead to the major productivity or profit losses of the company or customer, both in the short-term and long term. Mission critical positions occur throughout the levels in an organisation and not just at senior levels

Scarce skills are those skills that are critical to the ongoing operations of the business without which would lead to the major productivity or profit losses of the company or customers. These may include professional or technical skills that are in short supply internally in the company or externally in the labour market and would take a significant amount of time to replace if needed.

Uncovering hidden talent

A key component of spotting talent is to create opportunities for people as early as possible, to display and develop their talent, either at their current level or at the next leadership or technical level. Some talent could be hidden or overlooked within the layers and the structures, and never get the rightful exposure to the decision makers. Opportunities such as project work, stretch assignment, secondments, leadership programs or action learning are ways of unleashing this talent and creating exposure. It has been our experience that talent forums play a major role in discovering lower level talent (treasure) when cascaded through the structures of the organisation, and taking calculated risks in assigning new challenges. It is also up to the individual to bang on doors and assert themselves to demonstrate potential. Access to career opportunities and vacancies, where suitable contenders can apply helps to raise people's profiles, but it is essential to have a constructive process to manage the "also rans" who may not have won the race on that day, but still have huge value and contribution to make in the future.

Try not to become a man of success, but rather to become a man of value – Albert Einstein

Business leaders can learn a lot from the talent scouts of the sporting world that find exceptional young talent, and put them on the field to perform in very tough competitive conditions. How can you or your organisation find creative ways to unleash and grow talent and potential at all levels?

Talent spotting is more than just a subjective "gut feel", and requires effective tools and processes to engage with all employees, to create opportunities for performance and potential and ultimately to **find the right person for the right job at the right time.**



Look out for our next article in this series: **Finding talent**, which is about strategic approaches to finding the talent you need to fill the current and future gaps in your succession plans including talent pool management, career marketing, strategic partnerships, joint ventures, building pipelines and global search methods.