

## Great Talent Conversations

By Allen Hirsh

Leaders continue to ask fundamental questions about their talent:

- Do I have the right person in the job?
- Who are our rising stars and next generation leaders?
- Who should I promote?
- How do I get more out of Sandy?
- Who is my successor?
- Where are we at risk of losing talent to our competitors?
- What are the 'mission critical' roles to which we should be deploying our best people?
- Are we providing our people with the right types of development so they can gain the critical experiences needed for success?

## Talent Review Sessions Often Miss the Mark

Many organizations use formal talent review meetings to rate employees on a 9-box grid, measuring current performance and potential. Although well-intentioned, these sessions often miss the mark and are unsatisfying and uncomfortable for both the participants and employees being rated.

Some reviewers don't feel comfortable enough to really speak their mind; others already have their minds made up. Many think, *"This is the work of HR"* and often HR professionals are thinking, *"why can't the managers see that this is truly their work; my role is to advise them."*

### There is too little focus on strategic context

The talent management review activities can seem disconnected from business realities and strategic challenges. This can result in too much time spent looking at the people, and not enough time spent addressing questions such as:

- What does our leadership bench need to look like in the future?
- What jobs, skills and roles will be critical for future business success, and where are the gaps in our overall capabilities today given the changes in our industry and market?
- Where is there a business continuity risk due to weaknesses in our leadership pipeline?

### Predicting executive success is tough

Executive talent review teams often do not have the tools or processes to confidently predict leadership success. They may overvalue specific skills of characteristics, and miss other leadership attributes and success factors. Performance data is a critical part of the equation. Unfortunately, talent assessment often puts too much emphasis on instinct and improvisation and is short on reliable information that can predict success. Current folklore, assumptions, or limited exposure to the individual being assessed, may contribute to the reviewer's inability to make sound judgments.

### Vested interests can lead to uninspired conversations

At one of our clients in the financial services sector, the annual talent review was seen as just another time consuming HR process. People went through the motions, but it didn't lead to much commitment or action. When the CFO suddenly announced his early retirement, the company did not have viable successors. Despite lots of talk and succession plans on paper, the Board thought the candidates were not ready.

In other cases 'horse trading' is the norm, and there are unspoken ground rules that essentially say, *"I won't criticize or challenge your people, and you do the same with my folks."* In other cases, the tone is overly polite. Potential conflicts are avoided and there is an unwillingness to deal with the real issues concerning individuals. In all these cases, opportunities are missed for development and corrective action.

## Principles for Improving Your Talent Conversations

Consider the following principles to help tune-up your talent assessment conversations and supporting activities.

### 1. Get clear on the critical role requirements

The type of leadership that drove past success is often no longer sufficient. What are the strategic requirements of the role you are assessing? Understand what your assessment criteria are before embarking on the review process. While this sounds simplistic and like common sense, this step is vastly overlooked.

### 2. Pick your spots

The depth and breadth of the assessment depends on the strategic importance of the role. Invest in those roles and people that will have the greatest impact on your business. For key roles consider using an Assessment Centre approach that emphasizes:

- **Multi-methods** (e.g., expert interviews; observations using behavioral and experiential simulations; psychometrics; multi-rater data)
- **Multi-traits** (built upon the critical capabilities required for the job and organizational success)
- **Multi-raters** (using a combination of trained internal executive assessors and external experts)

### 3. Holistic assessment

The focus of the talent review should be on current performance, as well as a prediction for future succession and judgment about the individual's potential. There are four core dimensions for assessing a person's capability to perform in a role:

- **Raw horsepower** (Alignment of mental complexity with task complexity)
- **Skills** (Technical and Interpersonal)
- **Will** (Does the person want to do the work?)
- **Reasonable Behaviour** (Emotional maturity and ability to control one's 'dark

side' and derailment risks)

### 4. Focus on learning potential

The assessment conversations should also analyze whether the individual is receptive and able to learn from experience, exposure, feedback and mistakes. Without attention to this learning factor, you run the risk of relying too heavily on current performance - (e.g. the best sales person gets mistakenly promoted to management). Assessing the ability to learn is different from assessing IQ. There are both 'non-learning' PhDs and 'fast learning' front line employees. Some examples of learning indicators include: 'street smarts,' curiosity, intellectual agility, initiative, and a broad range of interests.

### 5. Put the right people in the assessment room.

It takes a Manager Once Removed (MoR) to fully assess the potential of their Subordinate Once Removed (SoR) cohort. The MoR **and** managers (the next level down)) should be in the room conducting the talent review because managers alone cannot assess the potential of their direct reports. The manager's perspective is not broad enough, and it is difficult to judge their subordinate's potential to work at their own level.

Ultimately it is the MoR's accountability to assess the current working capacity of each SoR, and her/his growth potential within the next 3-5 years. It is a commonly held view that a duty of a manager is to determine their own successor. This principle challenges that assumption and puts the accountability for identifying successors with the MoR.<sup>1</sup>

### 6. Figure out the role of HR

We often ask our HR professionals to wear multiple and sometimes conflicting hats at the talent review session. Are they in the assessment room to facilitate the conversation as a staff resource? Should they provide content and context about the specific individual? Should they offer their point of view and

<sup>1</sup> See Elliott Jaques, Requisite Organization, (Cason Hall & Co publisher 1988)

judgment about the people? The answer is - It depends on:

- The level of the HR person and the power dynamics at play (are they a peer of the people in the room or one or two levels lower?)
- The relationships they have with their internal clients and the level of trust they have built
- Their level of maturity and skills

The main message: be deliberate about creating the right conditions for success for your HR colleagues.

## 7. Actively seek meaningful conversations

Talent Reviews should be about having interesting conversations, not just filling in boxes. The best conversations are energizing because they lead to insight and action and result in the imaginative development of people.

Value-added conversations take effort. If participants are bored or pressured for time, chances are the conversation is shallow, and the team has only scratched the surface in analyzing the person's strengths and figuring out the developmental options.

## 8. Open and honest

Having open, courageous conversations about people is a tough thing to do. Since politics and culture have a huge impact, the chance of derailment is high. One of the roles of the MoR is to help keep the conversations grounded, genuine and productive. When done well, talent review activities helps build conflict capable teams and organizations.

## 9. Act with good will

Since the intent is to add value for the person and organization, a fundamental principle is that all the reviewers must start from a position of good will, rather than gamesmanship. The dialogue must be confidential. It is the accountability of the specific manager to provide feedback to his/her direct report (as agreed to by the assessment team)

## 10. Focus on identifying development opportunities

A key output of the talent review process should be recommendations and ideas to help the individual grow and develop. The most effective talent review processes results in a meaningful and practical Individual Development Plan (IDP). The IDP should focus on closing gaps and enhancing capabilities. The IDP should identify the coachable behaviour that is desired and provide the individual with opportunities to gain experiential insight. The most useful component is feedback, supported with skills development through coaching, mentoring or training.

## One Final Note

Talent assessment is an iterative process. An 'okay' process and toolkit well implemented will outperform a complex toolkit executed poorly. Remember the **E=QxA** rule (**Excellent Execution** is a **multiplier** of (Q) **Quality** (the content) times (A) **Acceptance** (the process). More sophisticated toolkits and skills will emerge over time with increased practice as the assessment team improves the quality of their conversations.

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Allen Hirsh is the founder of **NextGenLeaders**. With 30 years of experience helping clients design and execute their strategic agenda, and assess and develop their leadership capabilities, Allen is regarded for his creative, collaborative and energetic approaches.

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We welcome feedback to this **Insight**.  
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