KICK-ASS Talent Management

By Alex Raymond

How to get the most out of your **"most important asset"** with process and technology

About the Author

Alex Raymond is an entrepreneur, talent management strategist and world traveler. He's been in the Talent Management field for over a decade and has worked with dozens of companies around the world on their talent management systems and strategies. Alex's articles have been published across the blogosphere and he has been quoted in numerous HR magazines and journals.

Alex has founded two companies in the Talent Management industry (Kapta Systems www.kaptasystems.com and Vast Talent www.vast-talent.com) and lived, worked and studied in 7 countries. He has presented at Talent Management conferences in Europe, the US, Asia and Australia. Alex has a bachelor's degree from Georgetown University in Washington, DC and an MBA from INSEAD in France and Singapore.

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Kicking Ass and Taking Names in Talent Management

To those of us in the Human Resources field, 'Talent Management' has become one of the most frequently used buzzwords. Unfortunately buzzwords like 'low hanging fruit' or 'alignment', which should have never shifted over into the HR arena in the first place, have soured opinions on industry phrases. *I mean when did alignment stop referring to something that needed to be done to your car?*

Talent Management on the other hand is one of those phrases with staying power, as it has proven itself relevant and necessary.

Talent Management basically outlines what it takes to attract highly skilled individuals, while also developing and retaining your existing workforce to meet current and future business needs.

Talent Management is a broad and complex field, but there are some parts of it that apply to every organization, no matter your size, industry or location. What we're going to do in this e-book is talk about some of the maxims of Talent Management and how you can get them working for you. We'll take about the theory of talent management and then go into detail of how to set it up in your organization and use software tools to make the job easier.

This e-book will take you through the process of **building a Talent Management strategy and picking and using a software tool to help you.** The materials here are based on my ten-plus years in the talent management industry and the lessons I've learned along the way.

I've worked with all sorts of organizations on their Talent Management strategies and software tools. That includes healthcare companies and government agencies in the US, consulting and insurance firms in the UK, retailers in Australia, and industrial companies in China. And I've learned a lot along the way: **what to do and what not to do, and how to make this process smooth and efficient.**

It's always tough to roll out a new process or change the way your company thinks about it's "most important asset" (i.e. the workers) – but it's a really rewarding thing to do. This is how HR earns its place at the executive table and becomes a real partner to the business.

When you actively manage talent, you're managing the lifeblood of the organization.

I've learned a lot about Talent Management through countless discussion with interesting and committed HR professionals, and I really want to hear from you. Please write to me (Twitter: @afraymond) with any comments, questions or things you'd like to share as you read.

After finishing this e-book, I really hope you'll be a
full-fledged Talent Management expert!

Part 1: An Introduction to
Talent
Management

Wherefore Talent Management

?

Somewhere along the way, we figured out that the key to meeting business objectives starts on the ground level, with the people you employ. Therefore it's extremely important to make sure that those people are happy and satisfied with the work they are doing, so that not only do they benefit the company, they benefit themselves.

You don't want to fall into the trap of just managing your "high potential" employees or top performers. The real trick to Talent Management is **figuring out how to make each employee perform their personal best**.

So make sure to consider **ALL your employees** when building a Talent Management strategy.

But how do we do that?

Did you know that there is a demonstrated **direct correlation between high caliber talent and high business performance?** Studies by McKinsey, Harvard, Deloitte and virtual every consulting company in the industry have actually been conducted and the results justified. It's not a just a coincidence. And the onset of the Internet age, as wonderful as it is, has created an ever-changing world. Business models and concepts have much smaller life cycles than before. In order to compete, companies have to remain innovative, hence the need to have the best possible people in place.

Addressing the changing needs of the Potential Employee

One thing that many people tend to forget is that employee needs and expectations have changed as well. Even in the midst of a soft economy, **good talent still has the leverage to make decisions on what they want in a position.**

Employees not only want a "j-o-b", they want **challenging, meaningful work.**

They are more **career-focused** than company focused. They want to do whatever is necessary to foster growth in their own career and personal development, and in turn are looking for organizations willing to support that desire. Finally, employees now expect a **healthy work-life balance.** Flexible hours, telecommuting, PTO, etc… all play a big part in the talent you retain.

There is no more 1950's mentality. Back in the days of old, there were employees and managers (or supervisors), and never the twain shall meet. There was more of a top down outlook on the organization versus the current team-based environment. Today, **employees are seeking a mentor/mentee relationship** with their managers in hopes of learning the organization and how their roles relate to the objectives of the organization. Trying to hold on to the 1950's mindset in which you come to work, do your repetitive job, and go home is a tremendous hindrance to today's organization.
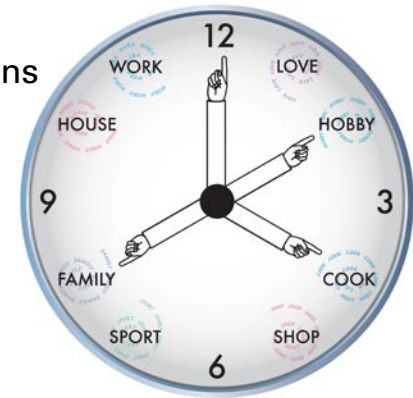
Think about it.

Why do people quit their jobs **?**

The number one reason is because they don't see how their day-to-day tasks fit into the company's big picture. All employees want to feel important and that their work is appreciated and needed. They also want to know how their 9 to 5 performance contributes to the overall success of the business.

So communicating with your employees is more important than ever – **tell them what they're doing well and how they can improve to further boost their career and the company's results**.

People are willing to work for a company, provided that the company cares about them and that their work is important.

So one of the key points of talent management is establishing framework for talking to the employees about their performance.

Do you agree? Disagree?
Have your own story to tell?
I want to hear from you!

The second reason people quit their jobs is that they don't like their boss. And that tends to be **a failure of the company, not a failure of the boss.**

Talent Management applies not just to employees but to managers too.

Oftentimes, employees with a strong technical aptitude or a great proficiency in a certain expertise are promoted to supervisory roles. They have to show they are up to the job of managing people. Yes, they perform well from a business standpoint but their managerial skills are extremely lacking. Upper level management doesn't always do a good job of choosing effective leaders and which may not damage the company in the short term, but the employees (subordinates) suffer greatly for it.

Is Talent Management New?

The idea of Talent Management is not new. It's has evolved over time and grown into its own entity, as has Human Resources. HR has progressed from that of the personnel department, which was basically a gatekeeper for employee records, payroll activities, and complaints to what is now known as a strategic part of an organization.

With that growth came the onset of Talent Management. Companies finally woke up to the fact that not only is attracting and retaining good talent important, it's also the responsibility of the organization as a whole. Therefore the Human Resources department has taken the concept, built best practices and techniques to obtain the talent, and have provided each unit with what it takes to get those individuals hired and retained.

HR is extending its reach and that's a good thing for all of us.

Talent Management shifts the responsibility of employing quality individuals from the Human Resources department to all managers throughout the organization. When you think about it, who better to determine which employees are best suited for a position than the person that manages that position. He/she knows exactly what proficiencies (or competencies) are required for each position they manage.

How has HR evolved at your company?
Leave me a comment.

Is there a Talent Management Process Flow?

Sure there is. As managers make their decisions on the skillset an employee needs to possess, so starts the Talent Management process.

It should follow the employee from their start with an organization, their progression within the company, and as they make their exit.

Talent Management Life Cycle

Talent Management used to be just getting an employee through the door. The buck stopped at the entrance and companies are seeing that it is so much more than that. Now it's much broader and **Talent Management is a holistic entity of an employee's tenure with an organization.**

Identify

Recruit/Hire

Learning/ Development

Assess/ Perf. Appraisal

Retain

Succession Planning
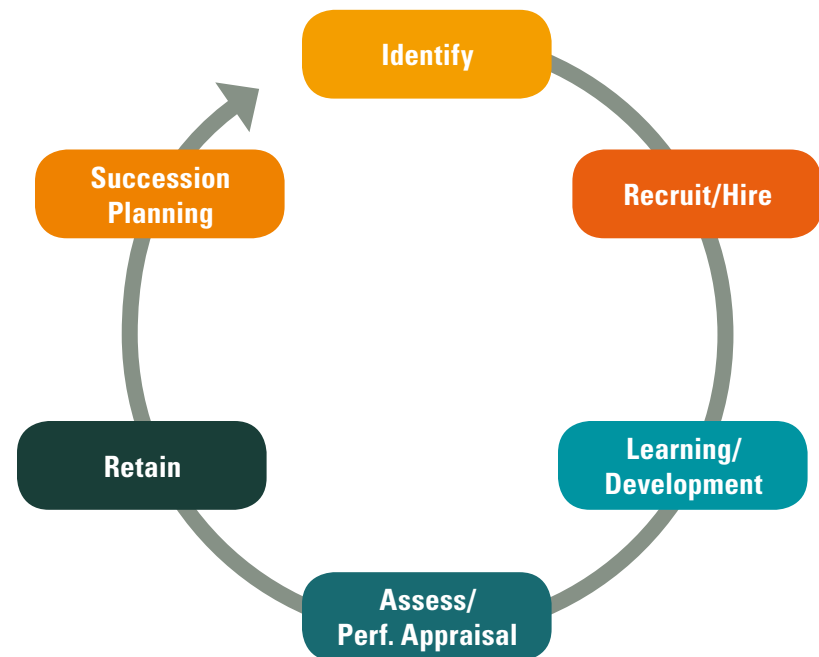
Recap - What have we learned?

What is Talent Management?

It is the process of attracting highly skilled individuals, while also developing and retaining your existing workforce to meet current and future business needs.

Why is there a need for a Talent Management solution?

Employers finally realize the importance of ensuring that employees are happy and satisfied with the work they are doing, so that not only do they benefit the company, they benefit themselves as well.

Is Talent Management new?

No, Talent Management has been around for years but business people are just now understanding the importance it has on meeting goals.

Is there a Talent Management Process?

Yes, Talent Management should follow an employee from entrance to exit of an organization (Identify needs, recruit/hire, learning and development, performance appraisals, retention, succession planning)

Part 2:

Talent
Management
&
The Company

Another key factor to remember during the recession (or at any time really) is to **prevent costly turnover whenever possible.** In order to do so, roles/positions will need to be redefined through effective performance management initiatives. A balanced approach in improving the produc-tivity level and adding perceived value to the employee's role will counter the negative impact of the economic downturn, and maintain positive morale of existing employees.

Why Should the Employees Care?

The use of Talent Management software should be thought of as a way to **mold/shape current jobs into the successful careers** employees hope to obtain. You want to emphasize that this is not something to be used once or twice a year, but that it should be integrated into their everyday activities.

If you're looking at new employees joining the organization, the recruitment efforts will be their first experience with the Talent Management piece. This is where the employee gets to see the requirements of the position, not only as it relates to experience and expertise, but also the type of person required to be successful in that role.

Remember that one of the goals Talent Management seeks is to **satisfy both sides of the equation when filling a position.**

The employee benefits from the learning and development of that position and the organization benefits from having a person engaged in the interest of the company by performing a job that he/she is best suited for.

Also to be considered is **the feared performance appraisal process.**

The process doesn't have to be such a dreaded experience. The employees will have a much better experience with this process when they are provided with the right tools to make it happen. They now have the opportunity to log in, review their goals for the year, update their progress toward those goals, make revisions as necessary, set developmental goals…the list goes on and on.

Tying together the loose ends of the puzzle and bringing all the components in concert under one umbrella will **alleviate the pressure of the performance appraisal.**

Communication is another enhancement of implementing a Talent Management tool.

Unfortunately, managers don't often take the time (or have the time) to sit down and truly have that one-on-one with their employees to let them know what they're doing well, what they may need to improve upon, and just the overall happenings of the organization. The manager now has the ability to see what the employee is doing, what he or she has worked on toward their goals and can make comments.

Opening up the lines of **communication between manager and employee** is essential in managing a successful business.

What do you think of performance appraisals? **Leave me a comment!**

What benefit is Talent Management for the Boss?

As you can see, Talent Management through the eyes of the employee can be a great thing. And if used properly, it can mean even more for the management level.

They will have a much easier time when performance appraisal season rolls around. I don't think anyone will squawk at the concept of no longer having to complete a paper form, so that's a given improvement. **But one of the main complaints, or shall I say concerns, of managers is that they don't remember what an employee has done from one appraisal to the next.**

Employees can work their fingers to the bone but unfortunately if they don't do something outstanding in the month or so prior to a performance appraisal, their efforts may go unnoticed. Though obviously unintentional, this is extremely unfair to employees who feel like they've worked tirelessly to prove their worth.

Fortunately, with the implementation of the Talent Management tool, **employees will have tracked their progress and the information is right there for the managers to see.**

They don't have to rely on their nimble minds to remember everything that's occurred in the past several months. This in turn makes things easier on the manager, while also giving the employees the credit they deserve.

Now that the managers can accurately assess the efforts of the employees, they are also better equipped to **compensate them accordingly.**

Unless you work for the Federal government, **it's pretty uncommon for a person to know what pay grade they're in,** if one even exists at their organization. Now that you have a better form of compensation management, **managers can more easily explain to an employee how he/she arrived at the pay raise they are given.**

They can also better align specific roles to a specific compensation. It improves **accountability** on behalf of the employee, as they now have a better understanding of **what it takes to attain a certain level of compensation.** It's clearly defined as to what they need to work toward. This fosters a performance oriented culture as the employee is now focused on productivity and efficiency.

As managers have identified what employees should do to progress to the next level, their Talent Management tool should give them a forum to organize training and development activities that will allow employees to do so. They will be able to make available the right training and ensure that programs are aligned with the development plans for an employee as well as the succession planning and corporate goals of the organization.

Additionally, they can track the progress of employees as they complete certain training initiatives. This will help to determine the relevance of various training relative to the progression of a position and ultimately assist in the succession planning efforts of the organization. If you haven't noticed, **all these pieces tie in together and are integral to the successful operation of a business.**

How has the role of HR changed?

The HR department is no longer devoid of technology and implementing a **one-stop-shop for Talent Management** is more prevalent now than ever. Modern Talent Management solutions that provide talent profiles, alignment, reports and analysis, etc. are becoming all the rage! These solutions assist in helping companies work together to align their business objectives and optimize their workforce.

If you're reading this book, you are already part of the great wave of HR change that's taking place. You know the value of actively managing your company's talent and you're willing to drive change in your organization to make it happen. I know it can be frustrating at time, but trust me –

You are a part of the great wave of HR change. What do you think of it? Leave me a comment.

you're making a huge, positive impact!

What does this change mean?

No more Silos

One of the concepts of Talent Management seeks to drive the responsibility of the attraction and retention of employees out to the hiring managers of each department. **Finding and keeping the best people is no longer viewed as strictly an HR function.**

Some of the questions you might want to consider as you start your Talent Management journey:

- How can we **streamline our recruiting process through the use of "competencies"** versus sifting through randomly selected resumes as they trickle in from Monster or LinkedIn?

- How do we make sure that we're **managing people effectively, yet measurably** so that they are paid appropriately?

- How can we **develop managers into leaders** that reinforce the values of our organization?

- How do we **figure out the deficiencies in the organization** and in turn devise development plans to correct the issues?

- How do we know we're **hiring the right people?**

- Are we providing our employees with the **tools they need to be successful** and perform the tasks being asked of them?

Implementing a Talent Management strategy will answer each of these questions if done in the correct manner.

Believe or not, the answer to these higher level strategic questions can be solved by using a **strong Talent Management tool.** These software tools come with many different names *(Employee Performance Management System, Talent Management System, Business Execution Software, etc.)* but despite the varying names they all have the same major features and functions.

How can we streamline our recruiting process through the use of competencies?

Competencies are **measurable skills, abilities, and personality traits** that identify successful employees against defined roles within an organization. **With the use of a Talent Management tool, employers are able to weed out employees that don't meet certain criteria.**

For example, if your position requires someone who has successfully completed a certain certification, with the use of an online recruiting tool, employers can immediately disqualify an employee that has indicated that he/she does not have that certification. Therefore it will **reduce the amount of unqualified applicants** in the resume pool. Or, if a position requires a person that is very team-oriented, an employer can require that a potential employee complete a personality test before being able to apply for that position. That way, if he/she does not possess the personality trait identified to be successful in that role, they will not be considered for that position.

How can we make sure we're paying people appropriately?

Talent Management Software, specifically the benefits and compensation piece, allows companies to **weigh the various skillset of a particular individual with requirements, and compare to the companies budget;** this ensures that employees are being paid what they deserve, while also staying on target with what the organization can afford.

This can really help when you are benchmarking your salaries against the market. In many cases, people are willing to work for less pay for a company that really cares about helping to manage their career.

How can we develop managers into leaders? **?**

Learning and development is also a product offering of most Talent Management systems.

While this is a component of Talent Management that is better implemented after one round of a Talent Management strategy has been completed, it allows companies to have managers go through **the necessary training it takes to be successful.** Effective management requires not only someone with a strong understanding of their job, but someone that **understands the jobs of the individuals they manage, how the effect the corporation as a whole, as well as strong interpersonal skills.**

How do we determine deficiencies in the organization? **?**

Believe it or not, actually taking all employees through the Talent Management life cycle will aide in **pinpointing exactly where the company is lacking.**

You'll have a better picture of your skill gaps and weaknesses in your "bench strength." *How?* **Reporting and analytics.**

Good Talent Management software provides **reporting capabilities that will outline where you need work**…according to what you've identified as the needs of the organization.

How do we know we're hiring the right people? **?**

This is an obvious one. As you go through and identify **what it takes to be successful in each role,** each new applicant is measured against those competencies to ensure compatibility.

This is now an easy task since everything is now housed in one central location.

How can you ensure you're providing employees with the tools they need to be successful? **?**

As you take employees through the entire process, measure their performance and assess their own developmental goals, **it will become evident what that employee needs to thrive in his/her role.**

As you begin to understand what that person needs from you, the employer, take the steps to guarantee that your employees are receiving their own tools for success.

Have more Talent Management questions?
Leave me a comment.

Recap - What have we learned?

What are the benefits to the organization?

Offsetting the impact of the recession, reducing turnover, higher performance toward achieving business objectives.

What are the benefits to the employee?

Help to properly mold their careers, properly assessed performance, accurate compensation, and better communication with management.

What are the benefits to managers?

Ability to accurately assess their employees and design a stronger compensation structure.

How has HR changed?

HR is no longer viewed as personnel; it is a sophisticated entity of a business and now has technology to support the departmental needs.

What does it mean today - no more silos?

Recruitment and retention is no longer viewed as strictly an HR function. The onus is now being placed on those individuals that are responsibility for the development of their employees.

Part 3: Software to the Rescue

the Talent Management System

Why should we automate this process?

There are plenty of ways to use technology to improve your Talent Management function. Software tools help you cut down on administrative items so **you get to do the job you want – be a real manager of talent,** rather than spend your days doing paperwork and forms.

So it makes sense for you as a HR professional to move processes online – that saves you time, money and effort.

Plus, Generation Y is finally coming into their own and starting to be taken seriously as future business leaders of the world. Having grown up during a time when technology was booming to say the least, Generation Y-ers are accustomed to having it easy when it comes to software applications. Nowadays employees are not only interested in what they can do for a company, but what the company can do for the growth of their career.

The need for this type of integrated model is also important in the wake of the recession. With fewer bodies on the payroll, anything that **saves time and effort** should be a welcomed addition to the organization.

Have first-hand experience with Talent Management software?
I would love to hear about it.

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What are the Components of Talent Management?

As a whole, Talent Management deals with the following components:

- **Goal setting/workforce planning** – establishing hiring plans, comp budgets, and targets for the year

- **Recruitment** – the process of bringing people to the organization

- **Performance management** – implementing a process of measuring and managing employees on a consistent, specified basis

- **360 degree feedback** – a type of performance appraisal in which the subordinates and peers of a manager would give feedback on that person's performance as a manager. (In other words, payback is a bitch if you're a poor manager.)

- **Compensation** – ensuring that the employee's salary/benefits are aligned with business goals/objectives, so as to be used an incentive for performance

- **Learning and development** – a plan designed to align advancement and training needs of an organization, and the training needed to meet those needs

- **Succession Planning** – the process of moving employees to different positions as they process on a particular path

- **Exit strategies** – making sure your ducks are in a row when a person does leave a position or your company has to leave a particular situation

That's an exhaustive list and most HR managers would love to have a coherent and holistic Talent Management strategy backed up by solid software. And some companies are lucky (and rich) enough to have all these components in place.

Which ones are right for me?

But there are some aspects of Talent Management that aren't really practical for the smaller company. Most of what is listed above is entirely too complicated and would end up being more of a waste of time than anything. On the smaller scale, **the main points you'll need to be concerned with to start are setting goals, managing performance and paying people what they deserve.**

Don't get me wrong, the other components are nice and definitely useful for the right company, but in the beginning phase **try not to bite off more than you can chew.**

It's better to do a few of these things really well **rather than try to do all of these poorly.**

Getting Started

So now you and everyone involved understands what you're doing and why you're doing so. This is extremely important, as you need all hands on deck for the process to work properly. One key point to remember that will help you along the way is to keep in the end in sight. What I mean by that is to make sure you're thinking about what's driving your desire to implement the Talent Management strategy. That will help you make final decisions.

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What are your specific needs?

Even the smallest company is going to need some type of software to manage this process. Remember that this software should serve as a one-stop-shop from the beginning to end of an employee's duration at your organization. The days of going here for one thing and there for another are slowly dwindling as companies are seeking to integrate processes for ease and efficiency. Today, useful IT systems are easy to use solutions **that make everyone's job easier**.

How do you go about getting a solution that works and fits your company?

Before you even think of getting RFPs and allowing software companies to come in for formal presentations, **make sure you toss around a few ideas with your team and get through at least one cycle on paper**. Perform a mini-needs assessment, so to speak, as it relates to what you're seeking to accomplish with this Talent Management strategy. It might not sound important now, but once you see everything written it helps you get a better idea of what your needs are (hence the title). This will in turn make your decision for determining which software is the best fit for your organization a little easier.

Have other tips?
Leave me a comment.

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One problem… *I don't know what a Needs Assessment is?*

Unfamiliar with a conducting a Needs Assessment? A needs assessment is basically the process of collecting information about an organizational need that could be met by implementing some system or process. In this case, the system in question is the Talent Management software. Generally the need stems from the desire to correct a deficiency in the organization. Your current deficiency is the improper management of your current workforce and the lack of ability to manage the potential workforce. In conducting your needs assessment, you will need to address the following questions:

- **Determine what you seek to accomplish from the assessment.**
  (What do you want to know?)

- **Identify the target audience**
  (Who will you collect your information and data from)

- **Establish a Sampling procedure**
  (the select group of individuals that will represent your target population. This will most likely be a few select employees, managers of your various departments, and VPs/Senior leaders)

- **Data collection methods**
  (Will you conduct surveys, open forums, focus groups, etc… to gather your information?)

- **Data analysis**
  (How you will compile and analyze your findings)

- **Decision making**
  (How you interpret your findings into correcting your organizational needs)

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How do I pick the best system for me?

So you have your team at the round table, Starbucks in one hand, pen in the other, and you're ready to go. Now you ask yourself, **"What the heck am I supposed to be writing?"** You first need to have an understanding of what's important and what's not. Without a baseline, you'll end up putting time and effort into things that really don't matter at all.

Take a look below:

IMPORTANT	SO NOT IMPORTANT
Getting started right away	Getting it perfect the first time
Good user interface that all can understand	Fancy images, colors, logos, flash animation
Ability to run reports with great, relevant data	Process and status reports that tell who's done what and when

The chart gives you a good starting point for figuring out what you'll need your system to do. **Don't strive for perfection the first time around** – you're far better off getting started and learning as you go. Otherwise, the temptation to "design by committee" can be too strong and you can find up delaying your Talent Management project by months or even years.

Have a story to share about choosing the wrong system?
Leave me a comment.

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Perfection is the key…Not so much

While it is important that to take action and get started as soon as possible, it's unrealistic to think that you'll get it right your first go 'round. Look at it sort of like creating a budget. You have an idea of what you're going to need, but you won't really know how accurate it is until it's all said and done and you have a basis for the upcoming year. Of course you want to try and come as close as you can, but truthfully you won't know exactly what you're going to need until you get right in there and do it. The same holds true for choosing your Talent Management software.

The Avatar Effect

Have you ever seen the movie, Avatar?

It's a great movie with some amazing special effects. That's all fine and dandy for a movie seeking to win an Academy award for visual effects, but not needed for your Talent Management software. One thing that people tend to get caught up in is pretty colors and fancy animations. Yes, it is nice to look at but **ease and usability** are quite possibly **the most important factors to consider** when choosing your software.

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I know I promised to refrain from using clichés but, **keep it simple.** You need to make sure that the software is user-friendly on both ends of the spectrum.

Think about it. If the software is **difficult to use, people are going to figure out ways to get around having to use it.** You won't get the desired end result.

The interface needs to make sense and simplify the end-user process so that people can easily condition themselves to using it. Avoid cluttered screens and anything that your mom wouldn't be able to use.

Reporting

Some of the systems out there will have the ability to run every report under the sun. They could probably tell you how many people in your organization are left-handed Taurus' with a strong affinity for seafood.

Are you getting value from your existing Talent Management software?

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Now I'll admit it would be rather interesting to have those stats on file, **but what relevance does that really have to anything you'd ever need in life, much less your business?**

Before being taken by fancy reports that don't provide any relevant data, be sure to identify what information you are seeking to obtain from this system. Think of anything additional kind of like those features on a new car that only serve the purpose of driving up the sticker price. For example, snow tires when you live in Miami.

The Dreaded Performance Appraisals

Let's be honest, *no one* enjoys the performance appraisal process…not the person giving the appraisal or the person receiving it. **All they do is create anxiety.** The only enjoyable factor is usually at the end where the employee finds out how much of a salary increase he/she will receive.

When you look at it from the employee perspective, what does the process involve **?**

They have to try and recall the goals that were set for them, which ones they've met, and of the ones they haven't met, what progress they've made throughout the year.

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They also have to think back over the past year as to what developmental goals they've met and the outcome. Then going forward, they have to think of new goals to set for themselves and how they plan on achieving them. In theory it's all well and good but to the employee, the whole process can be quite taxing.

Then on the manager side, you're facing the same issues.

This time last year was a long time ago and they're trying to remember what they even asked of the employee, while also doing their daily tasks.

What you want to do is make it **as easy as possible** for them.

Your Talent Management tool should allow them to store information over the course of the year so that they're able to track progress. This way, performing an appraisal will feel more like a culmination of an on-going process, rather than having to come up with everything on the spot.

It needs to be **intuitive,** much like something you would see on Facebook or Twitter. Social networking sites wouldn't be so popular if they weren't so easy to use. The idea is to create **a working tool…one that is used frequently** versus once or twice throughout the course of the year.

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The Consultant Trap

I realize depending on your tolerance for pain, the thought of implementing this process can be overwhelming, **but don't let it intimidate you**. More often than not, companies look to consultants to come in and perform miracles. Don't get me wrong, I'm not knocking consultants as they can be quite beneficial in some cases but not when it comes to your Talent Management solutions.

Before you think of hiring a consultant to do this job for you, **consider the following points:**

- ### They cost a lot of money!
  You're in efficiency mode. You're already going to spend money on getting the system in place. **There's no need to spend additional money on people that can do what you're already capable of doing**.

- ### Their advice is often just common sense.
  They swoop in and seemingly take charge of a situation that may not require their expertise. You're the expert! **You know your organization and what your needs are.** Don't fall prey to fancy marketing techniques and the promise of unquantifiable results. You'll end up spending tons *(and I do mean tons)* of money on people that probably only spent a couple of weeks researching your organization, and carving you into a niche that may or may not even fit what you're seeking to accomplish. I guess I am knocking consultants.

Have experience hiring a consultant? Good, bad? Leave me a comment.

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- **They'll just get in the way.**
  Because you will have chosen a software that is a great fit for your organization, you will have to identify exactly what it is that you want your system to do. After you've gone that far, you've basically done the leg work, right? Right. *So why not do it yourself?*

- **Take the time to learn how to do it yourself.**
  Get the philosophy and process embedded in your company. **You shouldn't have to spend money to teach someone else about how your business operates.**

The Software itself can be a trap too

This one is a biggie. The software you choose can make or break your entire process. So whatever you do –**don't buy legacy software**. In plain English, it sucks! The software you purchase needs to reflect the growing needs of your organization, not what was happening 15 years ago. The nineties are over, why buy a legacy software application that was designed in 1999 or earlier!

Make sure you purchase something **entirely web-based.** Not only is it more convenient, it just makes sense. *Why would you purchase something that you could only use from one location/portal?*

The answer is, you wouldn't. **This is 2011, folks!**

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Also, don't listen only to your IT team when making your final decision. Yeah, they're great and they keep your IT infrastructure running but no matter what they tell you, **external/cloud hosting is more secure than your own facilities** *(unless you're the CIA or Citibank).* It just is.

When doing your shopping, make sure the product is something you like and enjoy using. **You have to want to use it to get best results.**

Don't be suckered into a long-term contract either.

Don't you hate when you realize that your cell phone company is completely ripping you off but you can't do anything about it until your "contract is up"? So annoying. The same thing goes for your Talent Management software. **No matter what they tell you about discounts for long-term contracts, they only benefit the vendor.**

You know why vendors ask for three year contracts? So they can concentrate on winning other clients until your three years are up, then they will be back to sign you up for another three years at a higher rate. Regardless of what they say, they want your business so they're going to be willing to work with you.

Go for the annual contract and allow yourself the **flexibility of changing with the needs of your company.**

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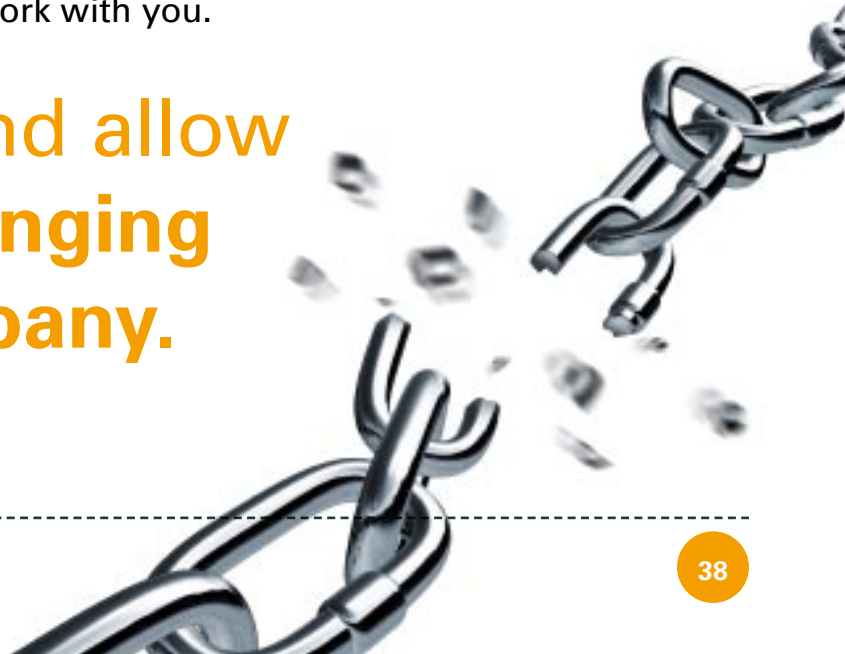
The Skinny on Reporting

Although the specifications of your software are ultimately your decision, and should be based on the needs of your organization, one of the features that you must hone in on is the **reporting functionality.** Reporting is a key feature of a Talent Management solution and primarily the only thing the executive management team really cares about.

You have to make sure the vendor you choose is able to provide you with all the reporting and analysis capabilities you require.

Think of the long-term goals of implementing this system. You're seeking to identify the best way to get the right people in place to hold certain positions, and to assist them in their growth throughout the organization, while also getting optimal results for the company. As the organization begins to use the system, it's important to correctly analyze various metrics in order to ensure that you're on target for meeting those goals.

There are several must-haves in terms of reporting capabilities. **Turnover is one of them.** We talked a little about how expensive turnover is. Once you have an idea of what your turnover is, you can begin to analyze the drivers, when it peaks, where it's the heaviest (department, age group, etc…), and things of that nature. Even if you don't make use of a formal ATS (applicant tracking system), there should still be recruiting reports available. This will actually work in conjunction with the turnover analysis; additionally, it will help you identify lag time in the recruiting process and maybe assist with the simplification of that process as well.

What's the most important part of reporting for you? Leave me a comment.

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Reporting on the demographics of your workforce is key. You should be able to truly breakdown your employees' educational level, skill level (certifications or specialized expertise), personality types, and a host of metrics that accurately determine if your current workforce is aligned with the goals of the organization. And if not, begin to assess what needs to be done to get them in the right direction. Also, having that type of reporting capability helps to pinpoint **what type of employee is best suited for each position available.**

Lastly, you will need to be able to appropriately analyze the effectiveness of your compensation plans. *Is turnover tied to compensation? If not, are you accurately paying your employees? Does the salary they have reflect the work they do?*

All of these things are important in identifying the bottlenecks of your organization, and working on a plan for improvement.

Software Selection Guidelines

One of the main reasons you're choosing to implement this software is the ease with which you will be able to manage your employees, right?

So why should choosing the software be a difficult process?

Software selection is all too often a source of frustration and expense. And there are a host of products available and they come in all shapes and sizes, so here are a few guidelines to follow to help you find the right tool to get the job done.

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- **The Big Picture.** You know your reasons for shopping for the new software. **Make a list of these challenges, and separate them into two categories: needs and wants.** Obviously your needs are going to be the things you absolutely cannot do without, no exceptions. Your wants list can really be as broad as you like but be sure to list your features in order of importance. Think about the times when you or someone in your organization said, "wouldn't it be great if…", and fill in the blank.

- **Count your pennies.** Sit down and **realistically determine how much you would like to spend, and how much you can afford to spend.** Your end result should be somewhere in between those two figures. Ideally you would probably like to spend around $50 on the entire process but chances are that's pretty unlikely. Realistically think about what you want to spend on first year pricing (including implementation and support), and then the recurring cost of maintaining that software.

- **Whittling down.** Once you've compared your needs to your budget, you should be in a good place to **quickly eliminate a lot of the products…** either based on lack of features (that suit your needs) or too high of a price tag. After you've gotten rid of the ones that won't work for you, **make your list in order of ranking…**the product that seemingly fits more closely to what you need, and work your way down.

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- **Whittle down some more.** Evaluate the features of the list you've just made. Determine **which packages offer the most features on your list of wants.** *(Remember they should all have all of the features of your Needs list).* If the entire suite of product offerings isn't in your budget, you may be able to purchase a la carte products in the future. Make sure you ask them if there are any upgrades or product enhancements planned? If so, are these free upgrades? If not, try and negotiate a discount on any upcoming upgrades that might be beneficial to your organization.

- **Choosing the main players.** Most companies will have a demo that is made available to you so that you can familiarize yourself with the interface and see how some of the functionality works. **Remember to look for design quality and the ease of use.** This is your time to determine what **questions your team may have.** Make note of the things that are confusing to you or may not be necessary. This is a tell-tale sign of which products are the best fit. You can rule out products that are under or over qualified at this point, and hold on to the best 2 or 3 products.

Pay attention to the warning signs:
If you don't like your vendor in the demo phase,
it's not going to get any better.

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- **Other input.** When you're looking at that demo, **don't just rely on one person's perspective.** Pull in a few people from various departments of the organization and allow them to assess the product. Involving employees in the process will help to alleviate some of the resistance that you're inevitably going to experience during the implementation process. Hopefully they will see the benefit from the beginning and be more receptive to the idea of improving their daily lives.

- **Final answer.** As you're making your final selection, **make sure you feel comfortable with the product as well as the vendor.** If the salesperson is too pushy or if there are any questions left unanswered, don't be afraid to ask for someone else. You should be **perfectly comfortable with your decision** because you're spending a lot of money and a lot of time.

- **The final once over.** After you've made your decision, be sure to review the information you've received from the vendor thoroughly. Again, **when in doubt… ask questions**. Make sure there are no hidden fees, no gaps in the contract, and make sure you know what you are looking at in terms of pricing for support, maintenance, training, etc…

- **Establish a timeline.** One thing to be sure to remember is to **plan your implementation very carefully to avoid peak times of the year.** Although you shouldn't necessarily be "put out" by the implementation process, you want to be able to devote as much time/effort as possible into something of this magnitude to ensure that it's done to your liking.

Remember that Talent Management usually follows a cycle and the busiest times of the year are January and July. So when you are looking at your project make sure to plan appropriately and implement in September or March!

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I've created a Monster

The thought of purchasing this system might sound like a headache and some of you may be thinking, why not build our own? I'll tell you why not. It may seem like a good idea at the time, but it's going to be way more complicated than anyone thinks, and definitely a lot more expensive in the long run. Even if you are able to get it right, what happens after the guy that builds the software leaves the company? He may not have passed on any information or left behind anything that would help the next guy coming in. Also, what if you change your IT infrastructure? Will your system be easily integrated into whatever new system you're choosing? Not to mention the time and money that would have to be put into maintenance.

Leave it to the experts. You would actually be surprised at the level of customization available with some of the software out there.

Now the fun begins

You've compared your checklists over and over again and have narrowed down your search as to who you'd like to go with. Always remember, before you finalize and begin implementation, **make sure all your questions have been answered and you're getting the treatment you deserve.** Take notes on everything vendors tell you, how something will be done, when it will be done, how long it should take, etc… This way you're involved in the process and will have an understanding of what to expect. Implementation can be a grueling process so you want to be prepared for everything that comes your way.

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And don't take for granted the expertise that your vendor brings with them. They've done this a few times and probably have some pretty good insight to offer. And most of them should offer best practices for free, so you don't have to pay for their "professional services."

What to expect

Let's face it – **change isn't always wanted or accepted,** especially when it comes to introducing new technology into a business environment.

People view it is taking time from their day that could otherwise be spent doing "something important". You would think that people would be super excited to use an intuitive Talent Management tool that systematically aligns organizational goals and eliminates the need to kill trees, right?

Unfortunately that's not always the case so **it's your job to make your new tool appeal to the senses.**

What do I need to know about getting it installed?

Before you start using the product, obviously you have to get it up and running. The first thing to remember is to **make sure that you're completely happy with the vendor you've chosen.** If there is any hesitation on your part, or if you're not entirely clear on something they have offered or written in your contract, just ask. You should be fully aware of the suite of product offerings you're receiving.

The overall installation process can be a bit tedious but it is manageable and you shouldn't allow yourself to be overwhelmed or consumed with the process. One rule of thumb is that although you are the driver of the project and ultimately the one in charge, the vendor should have the bulk of the headache. To help make the process easier on everyone, **appoint a project manager.** Although your IT team should most certainly be involved, this is not an IT project. There should be a Project Manager that takes ownership of the task, planning stages, control of the follow through, training to the employees, etc… This person should serve as the go-to person for the vendor and should be able to provide any information they would need with to assist with the process.

The installation of the product might also require the expertise of certain key individuals that have knowledge of the various components of the Talent Management system. Advise those individuals that their assistance will be needed and stress the importance of the team's support.

Keep in mind that although the vendors certainly know how to implement their product, they don't know your business like you do. **Stay in control of the process.**

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When should I fire my vendor?

Keep in mind that the vendor is there to **assist you and make the process easy for you.** Most of the time, vendors are on the up and up but on occasion, they will give you the runaround if you allow them to.

If vendor promised you 5th Avenue treatment but you feel like you're on skid row, **don't hesitate to let them know that they're not meeting your expectations.** Make sure they're following through on their promises and not under-delivering. If at the end of your contract, you still don't see any improvement then it's time to move on. Their job is to make sure you, the customer, are completely satisfied with the service they provide.

If everything you request is an additional charge, **it might be time to look for another software vendor.** Yes, some things should be an additional charge – there's just no way around it but if they value your business and want to keep you around, they work out ways to help lessen the blow. Maybe they offer a percentage off or throw in a few upgrades at no additional cost. You want to feel like you're getting the best they have to offer. Your Account Manager (or whomever is assigned to you) should be there for you to make sure you're utilizing their service to the full extent and ensuring that you're getting your money's worth.

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Your vendor should always been willing to lend their ear when you have questions, complaints, or aren't satisfied with any of their product offerings. **And if they don't, they're not looking out for your best interest.**

Lastly and probably most importantly, you should get rid of your vendor if **they don't have adequate customer service.**

In other words, if it sucks! And that's customer service in every sense of the word. **Don't you hate when you call a Customer Support line and you're put on hold for about 30 minutes only to find that the person you're speaking with can't help you and you have to call back between 10:23 and 10:26?** Yes, that's a slight exaggeration but that's what it feels like when you have an issue and feel like you can't get any answers.

Your vendor should make themselves available to you at all times.

Or with a different scenario, what if you have a wave of new employees that need to learn the new software. You shouldn't have to wait until 6 months from now for the next "available" training session. They should cater to your needs; after all, you're the customer.

Have a vendor horror story or kudos to share? Leave me a comment.

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On the Flip Side

Making sure your vendor treats you well is important, but **being a good customer is just as important.** Do your part to create the best experience for all parties involved.

Know what you're looking for. Yes, you can and should rely on your vendor for expertise on certain things but again, **you're the expert on your organization and your industry** so have a good idea of what you need before going into this undertaking.

Do your research. Knowing what's involved in the process will not only make you a good customer to the vendor and it will show that you're informed and give you a little more creditability when it comes down to finalizing the details.

Try to avoid complicated RFPs whenever you can. The simpler the contract the easier it is to understand exactly what you're getting. Also, simple RFPs don't leave room for any gaps and hidden items that could come up farther down the road.

And finally, pay your bills. Just like you care about your personal credit score, you should you should care about your business credit score. It sounds cliché but it's a small world, and you don't want to gain the reputation of being a dead-beat company. It will make it harder for you, when and if you decide to switch vendors.

Is your organization
a "good customer"?
Leave me a comment.

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Recap - What have we learned?

Why should you automate?

It helps the company to keep up with current trends and attract a savvier workforce, saves time, and it just makes sense.

What are the components of a Talent Management system?

Goal setting and workforce planning, recruitment, performance management, 360 degree feedback, compensation, Learning & Development, Succession Planning, and Exit Strategies.

Should you focus on all components right now?

No. While they are important, to start your focus should be on goal setting, performance management and compensation strategy.

How do you determine what your needs are?

Conduct a needs assessment to determine what is lacking and what it would take to address those concerns.

How do you choose the best software?

Compare the findings of your needs assessment to the product offerings of potential software.

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What are some key things to remember when choosing the software?

Not to be fooled by pretty colors and fancy animations, reporting and analysis functionality is crucial, well developed performance management model, and must have an intuitive user-friendly interface.

What should you know before getting it up and running?

Make sure you've read the contract in detail and know exactly what you're getting into. And remember to remain in control throughout the process (don't allow yourself to be given the run-around).

What should you remember about working with your vendor?

Fire the vendor if you are given anything less than what was originally promised, if everything you ask for is an additional charge, and/or if you ever feel like you are no being given the service you deserve. Also, try to stay away from being roped into difficult RFPs – the easier to read, the more you know exactly what you're getting.

How can you be a good customer?

Although you're the driver of the project, don't discount the expertise the vendor brings to the table. Do your research – know how to ask informed questions. And lastly, pay your bills!

Talent
Management
Tools & Resources

What are the best practices today?

- **Social Networking is in!**
  The days of depending on Monster to provide you with quality candidates are over. Those candidates are actually viewed as lazy job seekers today. The most innovative, creative people out there are on Facebook, Google+, Twitter and LinkedIn. Take advantage of the free age of the Internet and post positions on the various Social Networking sites.

- **Upgrade your application process**
  Give your applicants a centralized location to apply for positions that holds all pertinent information about that applicant. This allows you and the applicant better control of the process from start to finish.

- **Paper Schmaper**
  Do yourself and everyone involved a favor and get rid of those old paper performance appraisals.

- **Build an Accurate Comp Structure**
  Don't make the mistake other organizations have made and lose good people by not paying them what they're worth.

- **Healthy Work-life Balance**
  Work on initiatives that offer employees options that allow them to spend time outside of the office, while still feeling as though they are filling their obligations at work.

- **Continuing Education & Training**
  Invest in the growth and education of your employees. Consider tuition reimbursement programs and/or allow them to obtain certifications as they relate to a particular position or career path within the organization.

Other best practices to share? Send me a comment.

What Worst Practices should you steer away from?

Knowing the worst practices in anything you're seeking to implement is just as important if not that more than knowing and understanding the best practices. *Why?* **Knowing the worst practices helps you to avoid torrential mistakes** that others have made in the past (or are currently being made).

Understanding what they've done and why it doesn't work will give you a head start on your implementation and save you the time, effort, and headache you would have otherwise endured.

Take a look at some of the identified worst practices in Talent Management.

1.   Not taking action.
You know something is broken. Don't assume things will get better… they haven't so far. Do something about it before it's too late.

2.   Using MS Excel as a Catch all.
Excel is a great tool…for some things. It shouldn't be used to be build your Comp. structure or your performance appraisals. It leaves lots of room for error and there's little to no intuitiveness.

3. **Not paying people what they're worth because…**
"they already work from home" or " we have such a casual environment and they wouldn't get that treatment elsewhere".
Don't hold company perks or incentives over your employees' heads to a poor compensation structure. That's not the purpose of incentives and is a good way to lose quality employees.

4. **Giving a Standard 2% raise across the board.**
Companies often make the mistake of giving standard 2% raises because it's easier and fair. Not really. It only promotes lack of engagement and decreased productivity. "Why should I work so hard if he barely works at all and gets the same raise?"

5. **Leaving the employees in the dark.**
Yes, you're the final decision makers but don't shove anything down your employees' throats. Keep them informed in the happenings of the organization and allow for feedback. You never know how beneficial their input may be to you.

Other worst practices to share? Send me a comment.

Approval of the Big Wigs

Planning the implementation of your Talent Management tool is all well and good if you're in a position to make those higher level decisions, but what about the middle level person that needs to convince the "higher-ups" that it's a good idea?

We all know that companies are cost cutting across the board, and it's going to be difficult to prove the need for what may seemingly be a luxury to the uninformed executive.

Excuse the high school reference, but in this case it's actually relevant. Think back to the days of writing persuasive essays. The idea was not to fib or misinform but to prove to your reader the point you are trying to convey. The point you are trying to make will be the need for a Talent Management tool.

In keeping with the theme, revisit the structure of writing that persuasive essay:

> **establish your facts,**
>
> **clarify relevant value,**
>
> **address any possible resistance,**
>
> **and form and state conclusions.**

This is probably the best way to go about making your case to your Executive Team.

Establishing the Facts

What you will need to do here is to explain to the Executive members what a Talent Management tool is, how it works, and what it will do for your company...in other words, you basically need to answer the question *"why do we need this?"*

Go into detail with this analysis. **Speak on the current turnover percentage and what it costs the company.** Turnover is not only an administrative headache, but it costs the company quite a bit of money. There is the cost (time) of administering the exit exam, removal of various rights to systems/applications, separation or severance pay (if applicable), and possibly the increase in compensation costs. Then you have to look at what it costs the current staff while waiting to fill that vacancy. Duties/responsibilities have to be shifted to accommodate the loss, which isn't fair to your employees, and often leads to low morale. Then there is the cost of posting the position and the time it takes to interview. After which you need to drug test, background check, and then train that individual. It's all very expensive.

Clarify relevant Value

Executives don't have a lot of time and don't want to hear any fluff. What you need to do is lay your main points on the table.

What are the main points?

1. Growing need to retain and attract **quality candidates**.

2. The exorbitant **cost of continuing to hire/fire/replace employees**.

3. The need to **adequately manage the employees** that are currently in place to include: performance appraisals, training, comp and benefits structure, etc…

4. Appropriate **succession planning** measures

Identifying these relevant points put things into business perspective, which gets the attention of those executives and their strong business acumen.

Addressing resistance

Even though you will have listed very strong points in pleading your case, there will most certainly be pushback. The key here is to **address the issues before they can ask**. What are some of the questions that you'll be facing? The most obvious is the cost factor. You've already touched on the cost of turnover. Continue to reiterate that the cost of not having the tool is much greater than the cost of getting the system…this relates to money as well as time, addressing growing business needs, etc…

Stating conclusions

After you've made all your points and addressed any resistance they may have had, you want to drive it all home by **restating what it is you're seeking to accomplish by implementing this system**. Reiterate the importance proper Talent Management will have on the organization ultimately, while also simultaneously enhancing the employee experience.

This a lot to take in so to help you out, here is a brief checklist of things to take with you when you shop your vendors. Remember, this is only the basics but look at this checklist in conjunction with the guidelines above as a way of weeding out the ones that don't even meet your basic qualifications.

How did you convince your management team to adopt Talent Management? Leave me a comment.

Vendor Checklist

Company Name: ....

Contact Person: ....

Customization	Yes	No
Can it be configured to the way we do business?		

Idiot proof interface?	Yes	No
Is it easy for the lay-person to use?		
Is there ever a permanent action? (Can I undo an action?)		
Is there a help option available?		

Implementation		
Tell me about your implementation process.		
	Yes	No
Will I have a dedicated Team?		
Can we implement the product ourselves or do we need the vendor's help?		
How much time/commitment will be expected me and my staff?		
What happens after implementation? Am I on my own?		

Training	Yes	No
Is it easy for the lay-person to use?		
Can we train ourselves with self-service resources? Do they cost money?		

Have your own checklist to share? Send me a comment.

Recap - What have we learned?

What are some of the best practices?

Social networking is in!; upgrade to online application – not just Monster, no more paper appraisal forms, better compensation, work-life balance and Training & Education

What are some of the worst practices?

Not taking action, using MS Excel as your main program for Talent Management, Standard 2% raises, and not including employees in decision making process

How to sell to Upper Management?

Present the facts clearly, clarify relevant data, address resistance before it begins, state conclusions again and the reason why you can't afford not to have it.

What should I ask the vendor?

Checklist.

Wrap-up

You made it!

Talent Management is one of the biggest and most important business trends in the world right now. As an HR professional, you are at the forefront of business strategy if you're putting a Talent Management program in place.

I hope I've shown you that it's not as hard as it seems at first. The most important thing is to get started now. You'll learn along with the way and be able to make changes as the needs arise.

If you spend the whole time planning, you run the risk of missing the boat, losing your best people, and being eclipsed by your competitors. The market for talent is hyper-competitive and great people navigate toward great organizations.

And by the way, this is what we do at my company Kapta Systems. We build software to support Talent Management for companies for all sizes. Our tools are really easy-to-use and we built them so they require no training and no consultants to implement. When you're ready, come take a look at www.kaptasystems.com.

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So, what are you waiting for?