



Best Practices

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Talent Management – What’s It All About?

If you’ve read any of my previous articles, you may have noticed a few references to the term “talent management” and may have wondered what that means. It’s not a commonly used term outside of the human resources world, so it may be new to you. In fact, I still have close friends who ask me, “Now, what is it that you do again?”

The term “talent management” is still somewhat of a mystery to most, but it is becoming more widely used to describe *the overall HR strategy around people in the workplace*. And just like reliability is becoming a more recognized and appreciated component to gaining a competitive advantage in manufacturing, best-practice organizations have identified talent management as the key component of their business strategy to differentiate themselves from the competition and achieve desired goals.

Some of you have already jumped on board with this concept. Thanks to Jim Collins (“Good to Great”), you’re used to phrases like “get the right people on the bus” and “get the wrong people off the bus.” These have become commonly used statements in all sorts of meetings. My favorite quote is from Tom Peters in his book, “Re-imagine!” It says, “My point is not that ‘people are cool,’ ‘people are important.’ It is that ... ‘people’ (their talent, creativity, intellectual capital, entrepreneurial drive) is ... all there is.”

I love that quote because when it comes to people vs. systems/processes, it’s always been a “chicken and egg” type of argument. Some argue that you need the best systems and processes that are simple, efficient and easily executable. Others argue that even the worst systems/processes can be executed efficiently and productively with the right talent. Consider me in the latter camp. I believe the right talent eventually creates the best systems and processes. Given the choice, I’ll take the right talent over systems and processes any day.

Now, let’s return to the original question. What’s talent management? It’s simple, really. Talent management is *the strategy that drives the specific events that people experience in the workplace*. It encompasses seven things:

1) Corporate identity: Who are you as an organization? Do you have the desired culture? Do all of your employees understand your vision, mission and core values or beliefs? What keeps your employees coming to work each day? What drives their behavior in the workplace with your customers and with one another?

2) Recruitment and selection: How do you identify and select the “right” people for your organization? Is it based on gut feel? Is it based on their education and skill level?

3) Performance management and coaching: Are you properly managing performance and providing the kind of coaching employees need to improve?

4) Employee development and training: Are you developing your employees? Are you helping them identify a plan to improve their skill set and maximize their potential?

5) Compensation, rewards and benefits: Are you properly rewarding your employees? Do you have the proper structures in place to ensure your employees meet their financial needs?

6) Success planning and leadership development: Do you have a plan in the event that “Joe gets hit by a bus”? How are you creating tomorrow’s leaders?

7) Compliance, policy and procedures: Do you have your ducks in a row? Are you meeting your legal obligations? How are you handling employee relations?

If you’re lucky enough to be part of an organization that has their act together in talent management, I’m willing to bet you’re a pretty happy, motivated employee. But, I suspect most of you can go through this list and identify significant opportunities for improvement in more than one category.

Think of talent management as links in a chain supporting your organization. If any of these links fail, the whole chain fails, causing your organization to fail in meeting its goals. Success begins with leadership. If leadership doesn’t drive this down, middle management is doomed to fail. They end up making promises they can’t keep, and they end up worse off than before.

If you’re on the “egg” side of the debate of people vs. systems/processes, that’s OK. After all, talent management is a system and process. In short, there’s no way around talent management if you’re going to be competitive.

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