FEATURE

Setting Up for Success

Avoid the five talent management mistakes that put companies at risk

One of the CEOs we work with once asked, "If we do talent management so well and I lead a 40,000-person organization, why am I always one short when it comes to finding the right person for an open role?" Unfortunately, this is not an uncommon perspective, and we see many companies putting themselves at risk in the area of talent.

Leaders often brag about their robust talent management processes, complete with organizational charts and development plans. However, this can instill a false sense of security that things are working because there is a process. But all too often, when a role opens up, companies find themselves one short. All the systems and processes they have in place are necessary, but not sufficient.

What are the ways that companies are putting themselves at risk when it comes to talent?

RISK #1: NOT DEFINING A ROLE FOR WHAT'S AHEAD

Mistakes in talent management can happen before the talent is even brought into the organization. When a company is hiring for an open position, it typically pays little attention to developing the position description found in the job posting. But how the role is framed and what kind of situation the new executive is placed into is often just as important as the hiring decision itself.

We've seen companies replace executives in a knee-jerk manner—slotting in a new hire with the same job description the departing executive had, without any thought of what is needed now and down the road. Even within a time frame of a couple of years, though, the corporate strategy might have undergone a significant shift, or there may be a new set of players in the C-suite—new context that demands that this new executive fill in gaps that may not have existed before.

People generally fill roles for 2-3 years, and so the role must be defined according to the work that needs to get done in those 2-3 years (versus using a vanilla position profile). The hiring executive should be very specific on what the "gold star" for that position looks like at the end of year one and the end of year two. This provides real specifics to execute against—and you can assess and hire against those.

RISK #2: FAILING TO SUPPORT AN INTERNAL TRANSITION

Most advice on executive transition is focused on external transitions to new roles, but internal transitions can be equally as difficult as external ones, if not more so.

In an internal transition, an executive is often not afforded the support and "diagnostic period" that someone from the outside is given. He or she is expected to have a game plan and start making decisions from day one—and if the person doesn't, the decision-makers start to question whether this was the correct choice for the role. As an additional complication, if the executives are being promoted from their peer groups, that means they have to establish themselves as the leaders, managing people who may feel "passed over."

RISK #3: DUMPING VS. DELEGATING

It's very tempting, when we need something done yesterday, to call on someone reliable and say, "I need X by Tuesday—go figure it out." Because the person we are tapping is high-performing and smart, they typically go figure it out by themselves.

What was just done, however, is not delegating, but "dumping." Ironically, we usually only take the time to delegate to the low performers, precisely because they don't "get it," and then we end up "dumping" on the higher performers. What is lost by the failure to delegate is the opportunity to help people grow and learn from our experience. "Figuring it out" is one way to learn, but it does not convey our own learnings and therefore does not accelerate the learning of the person working for us.

RISK #4: COACHING THE WRONG PEOPLE

In working with hundreds of the most senior executives around the globe, we have found that the large majority of these high-performing executives invest their limited managerial time trying to "fix what is broken" instead of investing in their highest-performing people.

Underperformers over-consume resources needed to compensate for their lack of experience or abilities. But managers often magnify the negative consequences of underperformers by failing to diagnose the problem and spending too much time waiting for the situation to sort itself out.

As time goes by, the underperforming executive gets a disproportionate amount of the manager's attention—and the development of the high performers on the team gets neglected. Months later, the manager is left with a group of people who have performed well, but not nearly up to their potential (and also the underperformer who likely has not made any meaningful progress).

RISK #5: WAITING FOR THE "READY NOW" SUCCESSOR

The myth of the "ready now" successor is prevalent across all leadership levels of an organization. We see this in CEO successions, where there is often a long journey of getting boards to accept an internal promotion, as directors are often nervous about giving an "untested" executive the full reins.

This feeling tends to echo at levels beneath the CEO. In any form of selection and succession, no internal candidate is truly going to be "ready now." Holding candidates to a rather backward-looking standard of easily slotting into their predecessor's shoes ignores the dynamic requirements of the role at hand. It also too narrowly views succession as a single-person event rather than what it should be—a multi-person event where team members all fit together and complement each other's specific backgrounds and capabilities. ■

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