

Building and retaining great talent



"In determining the right people, the good-to-great companies placed greater weight on character attributes than on specific educational background, practical skills, specialised knowledge or work experience"

- Jim Collins, business consultant and lecturer on company sustainability and growth.

You might be thinking the Jim Collins strategy outlined above is a risky one, and you could be right, but it's certainly one worth listening to.

It is evident that since the recession both the pharmaceutical and biotech sectors have suffered; large pharma has seen its drug pipelines drying up, biotech has found its funding being withdrawn, and the related services industries have discovered how difficult it is to win work. The net result is that margins are being squeezed all round and businesses are realising that, in order to maintain their competitive edge, they need to invest heavily in developing and retaining new talent.

A defunct model?

But this is easier said than done. In the past few decades organisations have become obsessional about hiring by 'competencies' - putting candidates through competency-based interviews which miss the human or personal element of talent. Jobs have been decomposed into skills sets and filled by candidates who display the 'right competencies in the right quantities'. But business today is too volatile and complex, and the market too tight, for that model to work anymore. Furthermore, globalisation, demographics and pipelines will make senior talent ever scarcer over the coming years. Globalisation compels companies to reach beyond their home markets and compete for the people who can make a difference to their businesses. At the same time, companies in developing nations are themselves vying for talent, as well as customers, around the world. The impact on demographics also cannot be ignored. The favoured age range for rising senior executives is 35-44 but the percentage of people in that age bracket is shrinking dramatically, and by 2020 it is likely that many countries, including Russia, Canada, South Korea and China will have more people at retirement age than entering the workforce. In addition, companies are not properly developing their pipelines of future leaders, with few executives believing their companies are good at identifying and developing qualified individuals.

Making the difference

Today those responsible for hiring and promotion decisions must focus on potential: a candidate's ability to adapt to ever-changing business environments and grow into challenging new roles. A focus on potential can improve talent spotting at every level of an organisation. The successful leaders of today get the balance right between developing their people as well as developing their business, and that balance is key. One without the other will not work long term.

Ashfield Commercial & Medical Services is an innovator in the new world of cross-functioning services, taking pride in offering a wide-range of services that are specifically tailored to the needs of each client. Recruiting individuals with potential is crucial to the success of the organisation and Ashfield Commercial and Medical has recently invested in a Divisional Talent Team, led by Kerry McIntosh, Divisional HR Director. The team has representation from Divisional HR, Talent Acquisition and Development and their vision is to attract, retain and develop talent across the organisation by partnering with each business. All development plans and training are designed to drive and enable organisational performance and focus on the future potential and consequently the company concurs with the Harvard Business Review on 21st-Century Talent Spotting (June 2014), that the indicators of potential to look for are:

- The right kind of motivation: a fierce commitment to excel in the pursuit of unselfish goals
- Curiosity: a penchant for seeking out new experiences, knowledge, candid feedback and an openness to learning and change
- Insight: the ability to gather and make sense of information that suggests new possibilities
- Engagement: a knack for using emotion and logic to communicate a persuasive vision and connect with people
- Determination: the wherewithal to fight for difficult goals despite challenges and to bounce back from adversity.

Although potential should be the defining measure of executives today, it would be a mistake to completely ignore other evaluation parameters such as intelligence, job experiences and responses to interview questions. It would still be important to validate honesty and integrity as well as discovering if the candidate shares the organisation's core values, and consider leadership abilities, including strategic orientation, market insight, results orientation, customer impact, collaboration and influence, organisational development and team, as well as change leadership. In this respect, as Apple's Steve Jobs pointed out, it's the 'meta-data' you are looking for.

Placing greater weight on character attributes and recruiting individuals with potential may not be so risky after all

Focus on keeping talent

There are a multitude of factors contributing to an employee's decision to seek alternative employment. Unfortunately it is not unusual for staff to leave a new employer within the first six

months, the usual cause of this being that expectations have not been met. Therefore it is important not to over-promise during the interview process - if potential employees have been told things will be in place, then they must be. Employees leave because they do not feel valued in their roles, don't feel valued themselves, or feel their skills are not being made use of. There may be no clear path for career progression, either linearly, or in new areas. Furthermore, companies often focus solely on high fliers, overlooking those 'normal' performers who are nonetheless critical to the success of any change effort.

So how to focus on keeping identified talent? The capacity to build and retain great teams is the key to any leader's or organisation's success. Most of us are energised by three fundamental things: autonomy - the freedom to direct our lives; mastery - our craving to excel; and purpose - the yearning for our work to serve something larger than ourselves. Give individuals autonomy in the four 'T's': task (what they do), time (when they do it), team (whom they do it with) and technique (how they do it). Help them towards mastery by setting difficult but attainable challenges and eliminate distractions. And engage them in a greater team, organisational or societal goal. Purpose before profit should be a key mantra for business looking to establish long term strategic advantage. When companies solely focus on profit, at the expense of purpose, bad things happen, witness the banking crisis!

Pay does matter of course, but it is less important than most people think. If companies can afford to do so, then naturally the most effective means of assuring retention is obviously to offer attractive rates of pay and a good package of benefits. But although financial incentives play a role in retention money alone won't do the trick. Praise from one's manager, attention from leaders, frequent promotions, opportunities to lead projects and chances to join fast-track management programmes are often more effective than cash. Other strategies that should be present in any organisation serious about retaining their talent are mentoring programmes, regular dialogue with employees to understand their development needs and aspirations, cross-functional career progression opportunities, managerial engagement, and training. When we involve and value our people, engagement and performance will increase, and profit will follow.

Stretch beyond comfort

Ensure individuals live up to their high potential by offering development opportunities that push them out of their comfort zones, because that's where most learning happens. The right stretch assignments result in well-rounded, value-focused leaders who see the world through a wide-angle lens.

So placing greater weight on character attributes and recruiting individuals with potential may not be so risky after all, but rather can be a sound strategy crucial to the success of your organisation long term.

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*For more on this topic see: **For richer or poorer***