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Dear Reader,

Our readers frequently give us feedback about the value we bring by sharing experiences that allow benchmarking, comparing our own practice with what others are doing in different settings, and also by reporting on trends and emerging concepts related to developing people and organizations. To honor that, we are featuring this month an interview with **Lynne Morton**, Principal, Performance Improvement Solutions and Research Consultant to The Conference Board NY, who shares with us her findings about Trends in Talent Management.

Enjoy the reading!

Isabel Rimanoczy
Editor

Quote of the Month

"Listening is the beginning of understanding....Wisdom is the reward for a lifetime of listening"

Proverbs 1:5

LIM NEWS



We develop your leaders while they develop your business

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Trends in Talent Management

Interview with Lynne Morton

LIMNews: *What are in your opinion the current trends in talent development?*

There are several trends: I believe that the most important trend in Talent Management is that it is becoming so significant a topic to organizations of all kinds. The trend, if you will, is that Talent Management is a HOT topic! And that it touches all employees – those being recruited, as well as those being developed for significant roles – and the near/long term success of the organization. Another trend is that Talent Management initiatives are being integrated. For example, recruiting is now connecting more strongly to workforce planning, to retention, and to organizational culture. Leadership development is now being connected to Performance Management and Retention, etc. Finally, CEOs and Boards of Directors are caring about Talent Management. This last trend is undoubtedly helping elevate TM to the forefront of corporate agendas. Just as TM is taking a prominent place in the corporate world, so are HR professionals who work on TM. Doing TM work is actually changing the role, and the perception of HR., making it more strategic, more aligned to the business, and more of a collaborative business partner. TM work is not the responsibility of HR, but is shared, which also helps position HR quite differently.

LIMNews: *To what industrial sector, geographical area, category or employees does this refer?*

Talent Management, more often than not, refers to all employees. There are some organizations that still think of top 5-10% (high potentials or leadership pool) when using the term, but the vast majority of organizations think of talent quite broadly. That's why I've described "talent" in my research as anyone with the potential to make a difference in the organization now or in the future. And Talent Management work (and thinking) is evident in all industries and geographic locations.

LIMNews: *What was the scope of the research? (number of people interviewed, during what timeframe, etc)*

The first year of research (all conducted in 2003) entailed surveying 75 companies with a written questionnaire (and these were global companies), as well as in-depth personal interviews and rich discussion among the 35 companies participating in a Working Group¹. There were several global companies whose perspectives were gleaned. The second year of research, just completed but not yet published, has involved only in-depth interviews – with 25 companies – but was also complemented by discussion among the Working Group member companies. The first study, *Integrated and Integrative Talent Management: A Strategic HR Framework* by Lynne Morton, was published by The Conference Board at the start of this year (<http://www.conference-board.org/publications/describe.cfm?id=748>). This second study, tentatively called *Talent Value Imperatives* will be published by The Conference Board at the end of this year.

LIMNews: *What differences do you observe from the development initiatives of the last 5 -10 years?*

This is a tough question because I don't see much difference in the development of discrete initiatives, but, rather, much more interest in integrating or connecting those initiatives. By that I mean having Talent Management be well aligned with strategic planning, being a part of that and on the same calendar. Or having leadership development closely aligned to performance management. There is less 'different' about each individual kind of initiative, but more about the collective whole. The other thing that seems different in recent years is the momentum – there's lots and lots of momentum to continuously improve and to invigorate older efforts with newer thinking. The work of Talent Management "isn't" once – it continuously evolves.

Also – related – Development initiatives as a category (leadership or high potential development, and overall professional development) are being used more deeply and more rigorously by organizations.

For example, many organizations believe in leaders developing leaders, so there are learning experiences for senior leaders who "teach" or "lead" in these programs. Also, there are more developmental initiatives at many levels within the organization. Lastly, development is no longer seen as "taking a course". The whole range of adult learning and what is seen as developmental opportunities is part of TM and has, I think, grown dramatically over the past 5 years. Learning opportunities might, for example, include a foreign assignment, a special project, or a stretch assignment. These provide 'action learning' opportunities that are often more powerful than those gained from classroom learning.

LIMNews: *What evolution do you observe over the last years?*

There seems to be a strong desire to find technology to help enable Talent Management. And this does seem recent. However, the technology doesn't seem to be there just yet. Most of the tech solutions that I saw were home-grown ones, that integrated with existing HR Tech and enterprise systems. There are a few products out there, but they are still new and evolving. Several hold tremendous promise, though, and I'd expect to see much growth in this area in the near future. An exciting new product, for example, is available from Motivity. This provides an integrated TM assessment, learning and developmental platform for shared use by individuals and managers. Another interesting product that integrates competencies for TM is available from Inscope.

Also evolving are the strategic connections between Talent Management and other areas. For example, there's a strong link between Talent management and Change management. In some cases, TM was the result or outcome of a major change process; in others, TM is being used to drive organizational change. In the latter case, TM is focused on behavior at both the individual and organizational level, so the change that is the result is cultural.

LIMNews: *Are there some areas within Talent Management that are more conservative, some that are more innovative?*

What an interesting question! One might be tempted to correlate that with "oldest" vs. "newest" initiatives but I don't think that's fair. Workforce Planning is the newest of the TM categories of initiatives and, while some of the technology around it is innovative, I don't think that the actual work is. What strikes me as most innovative is in the area of feedback/measurement. Several, in fact many, companies are providing a wealth of training and support to help managers give feedback. This includes work around appreciative inquiry, communication styles, etc. Also, there is a lot of coaching to help managers both get and give feedback. Additionally, many organizations are applying balanced scorecards (not new, but still used differently) and key strategic measures to get managers to endorse the talent mindset and to be a "leader leading others." This means that more financial rewards are being tied to leader-like competencies and behavior – because organizations are seeing that there is a correlation between that and the bottom line. At the other end of the spectrum – the conservative side -- I didn't find anything. Perhaps the most traditional area is recruiting, but those organizations that are using TM as grounding for Diversity are also doing some different things in recruiting.

LIMNews: *Is there a different approach according to age range?*

This isn't evident yet. However, those organizations that have rigorous TM approaches seem to be more aware of the demographic disparities in their workforces. I think that this might be a new wave of activity. Those companies that think in terms of talent, seem more aware of the learning and knowledge potentials of different generations. They seem more attuned to potential knowledge vulnerabilities by generation, even if they don't yet have programs to address the different generations. Having a "talent

mindset," as we've called it in both studies, makes organizations aware of potential, regardless of its source. It takes away some of the barriers that limit organizational thinking: e.g., mature workers have limited learning potential (not true, per those who have a talent mindset).


LIMNews: *What surprised you from your last research?*

What surprised me was the passion around TM. This comes through loud and strong on the part of TM Directors and VPs. These folks really believe that they are making a difference in their organizations. And they are in it for the long term, because they view the work as very long term with continuous improvement. Like Quality Management, it is more of an on-going journey than a destination. It's work that combines Emotional Intelligence and Intellectual Intelligence. Also, I was surprised by the powerful connection between TM and Diversity. Many organizations have Diversity reporting through TM now – and others are using TM as a way to create the business framework or grounding for Diversity. The Talent Mindset is helping companies move from the compliance view of Diversity to the richer view of Inclusion. This is very exciting and holds huge promise for significant culture change.

LIMNews: *What are the approaches that are losing interest and which ones do you notice as growing?*

This is really tough to answer since we didn't probe for what's fading or gaining. There doesn't appear to be a trend. For example, several organizations said they are shying away from assessments, while others still use them. Oh – perhaps what's losing interest is the notion of "learning = a classroom experience." What appears to be gaining ground across the board is the involvement of the Board. More and more senior level executives are taking an interest in TM, which is helping to establish it as critical.

LIMNews: *What is in your opinion the future of TM?*

I think that we've just begun to see the power of Talent Management and, as more initiatives become integrated, Talent Management will become more of a key area within the organization. The future for TM is huge and very important. This isn't a trendy renaming of OD work – it's a very powerful way of thinking and working that, ultimately, says that talent management is the work of every manager. That's transformational! 

¹**The Conference Board runs Working Groups which are comprised of approx. 20 companies, whose senior executives meet several times a year to explore a topic in depth and to generate research related to that topic.**

Lynne has an extensive experience in change management, especially in Fortune 500 organizations, and focuses her practice on issues related to leadership and talent. She provides consulting and executive coaching to build individual and organizational competencies. Lynne can be reached at Lmorton@pisols.com.





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