How Smart Organizations Unleash Talent for Optimal Performance

Bill Schiemann
CEO, Metrus Group Inc.

HR Leadership Group of Northeast Ohio
May 2014
Metrus Institute: A Source of HR Research and Cases

We have learned a lot about Talent and creating Value...

- Human Capital Study in over 2000 organizations (ASQ, 2010)
- Executive interviews and extensive research reviews for Hidden Drivers of Success (2013), The ACE Advantage (2012) and Reinventing Talent Management (2009)
- Executive Thought Leader Forums
- HR Benchmarking Studies of over 5000 firms
- Many more (see library.metrus.com)
The Times They Are A-Changin’
The Winning Game is Value

How does your organization create value?

How does your function or team add value?

How do you add value?
What’s Your Value Proposition?
What Leverages Human Capital Value?

**ALIGNMENT**
- Goals
- Brand
- Customer

**CAPABILITIES**
- Competencies
- Information
- Resources

**ENGAGEMENT**
- Advocacy
- Commitment
- Satisfiers
What do Leaders Need to Know?

Metrus Institute/ASQ Research

Organizations with high ACE...

- Were 2x more likely to be financial leaders
- Were 3x more likely to be quality leaders
- Averaged half the turnover of low ACE organizations

Sources:
Kostman & Schiemann, People Equity: The Hidden Driver, Quality Progress, 2005
Seibert & Lingle, Internal Customer Service: Has it Improved, Quality Progress, 2007
ACE Leads to Results

ALIGNMENT

Financial Results
- Financial Performance
- Operational Performance

CAPABILITIES

Customer Results
- Customer loyalty
- Retention

ENGAGEMENT

People Results
- Talent Retention
- Effort, Performance
ACE and Great Functions

Overall Quality of Service – Percent Favorable

When Alignment, Capabilities and Engagement are high, the average is 75% - 90% favorable

- Communications
- Customer Svc
- Finance
- H.R.
- I.T.
- Legal
- Mfg/Ops
- Mkt Research
- Marketing
- Procurement
- Quality
- R & D
- Sales
- Security

Low Engagement Organizations
High Engagement Organizations
High ACE
How Would Your Team Score?

- Weak
- Intermediate
- Strength
What Can You Do to Optimize Talent?

- Ensure Alignment
- Nurture Engagement
- Grow Capabilities
- Manage Talent Lifecycle
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What Actions Might Improve Alignment?

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- Goals
- Brand
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Ensuring Alignment

◊ Conveying direction and priorities?
◊ Providing clear unit/personal goals?
◊ Aligning measures?
◊ Giving helpful performance feedback and coaching?
◊ Expecting accountability?
What Can You Do to Optimize Talent?

Ensure Alignment

Nurture Engagement

Grow Capabilities

Manage Talent Lifecycle
What Actions Might Improve Capabilities?

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Grow Capabilities (that Stakeholders Care About)?

◊ People assigned to roles that fit them?
◊ Building high teamwork?
◊ Resources/tools?
◊ “Right” information and technology
◊ Developing skills for both today and tomorrow?
◊ Diversity
What Can You Do to Optimize Talent?

- Ensure Alignment
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**Nurture Engagement**
What Actions Might Improve Engagement?

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- Advocacy
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Improving Engagement?

◊ Supportive vs. punitive relationship?

◊ Providing growth and learning opportunities?

◊ Transparent communication?

◊ Treatment with respect?

◊ Recognizing people?
### What Actions Do You Take?

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<thead>
<tr>
<th>Alignment</th>
<th>Capabilities</th>
<th>Engagement</th>
<th>Profile</th>
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<tbody>
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<td>Optimized Talent</td>
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<td>Misguided Enthusiasm</td>
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<td>High Risk</td>
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**Sub-Optimization**

- **High**
- **Low**
What Can You Do to Optimize Talent?

- Ensure Alignment
- Nurture Engagement
- Grow Capabilities
- Manage Talent Lifecycle
Are You Managing the Entire Talent Lifecycle Well?

ATTRACTION
ACQUIRING
ON-BOARDING
RETAINING
DEVELOPING & SUCCESSION
MAXIMIZING PERFORMANCE
TRAINING
RECOVERING
ACE
Acquiring Talent More Strategically

◊ Facts:
  ♦ Hiring costly and often not effective
  ♦ Organizations historically best on C
  ♦ Weakest on A and E

◊ Question:
  ♦ Do you find and select talent that is high on both A and E?

◊ Potential Actions:
  ♦ Hone & calibrate interviews to detect A and E factors
  ♦ Build a powerful Talent Value Proposition!
On-boarding or Acculturating Talent?

◊ Facts:
  ◦ Timing is important: first impressions count!
  ◦ Acculturation as a goal is often missed

◊ Questions:
  ◦ Are you acculturating new hires? How do you know?
  ◦ Do new hires feel equipped to succeed?

◊ Potential Actions:
  ◦ Acculturation starts BEFORE hire
  ◦ Actively manage/measure early impressions
Rethinking Performance Management

◊ Facts:
  ◇ Performance Appraisals most frustrating area of talent management

◊ Questions:
  ◇ Do you destroy Engagement while trying to create Alignment?
  ◇ Are Capabilities optimized?

◊ Potential Actions:
  ◇ Make it part of daily life
  ◇ Helping employees “get an A”
Developing Leaders & Succession

◊ Facts:
♦ Performance: “What” strong; “How” weak
♦ Skills: Technical strong; people weak
♦ Accountability: Activities high; People Management low

◊ Question:
♦ Are you optimizing your leadership talent?

◊ Potential actions:
♦ Better leadership measures
♦ Invest in people management skills
♦ ID and recognize great role models
♦ Begins at top!
What Can You Do Tomorrow or Today?

- Diagnose/understand how well you create a high ACE team
- Enhance your leadership capabilities
- Review talent processes against ACE
What *ONE* Thing Will You Do Differently Tomorrow To Make Yourself A Great Leader?
Thank You!

For more information:
www.metrus.com
908-231-1900
wschiemann@metrus.com
Twitter: @wschiemann
LinkedIn: http://www.linkedin.com/in/wmschiemann