Creating a High Performance Culture

Talent Practices in High Performance Workplaces

The science of talent management is in its infancy. Moving from command and control mentalities and processes is easy to say but hard to do. Thinking about horizontal global talent pools is engaging but difficult to operationalise. While it is likely that professional networks are the most important "intellectual asset" that we have, it is unclear how these networks should be nurtured and developed. And if workplace learning and coaching are the most critical developmental activities, then we must rewire our organisations.

But what is starting to get clearer is a set of practices used by leading organisations. These practices, more than an articulated theory of human capital management which is yet to come, help point the way to developing high performance workplace cultures that, in turn, increase shareholder value. Nineteen such talent practices are as follows:

1. Identify talent levels - Some people contribute more value than others. Companies that endeavor to treat everyone the same do a disservice to the employees, company or shareholders. The focus needs to be on building equity, not promoting equality. A systematic, tough and responsive talent calibration process is needed for organisations to identify talent in the critical jobs that impact the organisation. Employees must also understand what they have to do to increase their own talent level so that they are not forever branded as an underachiever.

2. Differentiate rewards - People who provide more value to the enterprise should receive greater rewards, recognition and opportunities. Any other policy sends confusion throughout the enterprise, results in the disillusionment of the best performers and rewards mediocre achievement.

3. Hold people accountable - If talent practices are to be at the core of how organisations operate in the future, then accountability must be part of this equation. Managers should be held accountable for: developing their employees, not losing key contributors to turnover, promoting knowledge sharing and collaboration, and making good hiring decisions. Executives should be held accountable for strength of talent pools, depth of bench strength, and instituting effective talent practices. Accountability is vital to developing and enhancing a culture of high performance. Employees should be held accountable for their own professional development.

4. Keep standards high - Nothing less than excellence will suffice. This view needs to permeate the organisation so that all levels are committed to a superior standard.

5. Share what works - Perhaps the single biggest impact that HR professionals can have is to be the conduit for outstanding internal best practices. There is always a group or department that performs better than others. Look for the "positive deviation," analyse why it works and pass on the practice to others within the enterprise. This is knowledge sharing at its best.

6. Get on "best places to work" lists - One expert has said that if a company gets on the Fortune best places to work list, it is worth $15 million in free public relations. By getting on these lists, the company focuses on important talent practices and processes.

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7. Focus on "A" Jobs - Just as all talent is not equal, some jobs are more essential to a company than others. These jobs may not be the highest paying or hardest to fin, but they provide the greatest value to the marketplace. Generally only about 15 to 20% of a company's jobs are of strategic importance; also look for those strategic jobs where there is great variability in performance. These should become the highest priority jobs; invest more resources in getting them right.

8. Cultivate great managers - Great managers are at the core of a talent culture; no relationship is more vital to career and professional development than that of the manager and employee. Managers are the force multipliers of a company: great ones can nurture and develop tens or even hundreds of employees. To do this, the job of the manager must be redefined, mindsets must change and accountabilities put in place to foster positive behaviors.

9. Fire poor performers, especially poor managers - A major source of friction is when management does nothing to restrict or remove poor performers. Most everyone in the company knows who they are; management loses credibility when they fail to act.

10. Craft a compelling employment brand - Companies need to compete just as fiercely for talent as they do for customers. Great companies can answer the question: why should a great person want to work here? Mediocre companies cannot. Employment brands need to be designed creatively and built conscientiously over a period of time. The payoff in the talent marketplace is huge.

11. Leverage referral recruiting - If the ability to attract talent is the number one issue on the minds of CEOs, then leveraging referral recruiting is often a great solution. Candidates that come from employee and alumni referrals are more qualified, get off to a faster start, do a better job and have higher retention rates. 1t is also the least expensive recruiting method. This is not a new technique, but it is worth revisiting past practices, especially when quality and ROI are so strong.

12. Hire for behavioral competencies - Technical qualifications indicate that you can do the job; behavioral competencies demonstrate that you will do a great job for the company. A primary reason that people become dissatisfied with their job is the poor fit between culture and personal style. Eliminate this problem by delineating the competencies that are vital for success and then hire for them.

13. Focus on employee engagement - This is the most important leading talent indicator to monitor on a consistent basis. Engagement is not employee satisfaction; it is much more comprehensive as it includes such factors as: importance of the job, clarity of expectations, opportunity for career improvement, provision of regular feedback and working relationship with colleagues and managers. If employees are engaged, they feel a connection to the company and are more than willing to provide discretionary effort for the organisation.

14. Be flexible in the types of assignments, teams and jobs the organisation can provide - Organisations need to provide a wealth of different opportunities so that employees can connect, collaborate, be challenged and further develop. Break out of vertical silos, think horizontally and promote cross-functional activity. To the extent possible, the organisation needs to be adaptable and flexible to meet both market and internal talent development needs.

15. Emphasise non-financial rewards - It's not an about the money. Reinforcement and recognition strategies are often far more powerful than monetary rewards. A note from the CEO, verbal reinforcement from managers and mention at a company meeting are all powerful ways to support desired behaviors. Be creative about these techniques that cost nothing but contribute great value.

16. Communicate with integrity - Keep the information coming. When people feel isolated and out of touch, they decouple from the company. Engagement levels decline and discretionary effort recedes. Two-way communication, not just one-way

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broadcasts, is also essential. Trust gets built up when employees feel that their suggestions and insights are valued.

17. Support individual development plans - Employees need to know where they stand in terms of strengths, weaknesses and competencies to further develop. Roadmaps need to be in place so they can drive their own career, participate in new activities and achieve even greater success. Without these development roadmaps, people and companies get lost.

18. Deploy the best people to the most critical jobs - Agile, talent-based organisations are continually looking at their most pressing needs and ensuring that top talent is assigned to the most significant jobs or tasks. This type of chum can be disconcerting for some, but the highly structured, bureaucratic alternative is a death knell. There are two types of organisation in the 21st Century: the quick and the dead.

19. Proactively address retention issues - Retention needs to be addressed constantly, not after the fact. Great employees leave first because their options are so great, and typically a company has one chance to address the gap between passive discomfort and active disengagement. The manager employee relationship is at the crux of retention. Each employee has different needs, motivations and requirements. Retain one employee at a time.

There are certainly more than 19 talent practices, but these have proven to be important in Human Capital Institute's research on high performance workplaces. This list should be scrutinised and modified as more is known from leading practitioners, researchers and thought-leaders. But in the meantime, this is a good list for internal talent audits. How do you measure up?

—From David Forman

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