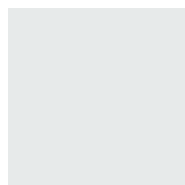


TALENT INSTITUTE



EXECUTING A TALENT REVIEW

Aligning Organisational Capability with the Business Plan



EDUCATED DECISIONS

As the nature of business evolves to an information and service economy, organisations are increasingly reliant on people to succeed. Employees with the right capability and competencies provide the advantage that cannot easily be replicated by competitors.

Decisions about strategic direction and organisational structure (or restructuring), are essentially decisions about talent.

In turn, decisions about people trigger thinking about the risks associated with human capital.

Some of the risks include:

- Failure to attract talent (and having to settle for second best)
- Selection of the wrong people (accurate hiring and promotions)
- Ineffective or unprepared leaders
- Not having competent people in strategy-critical roles
- Retention (of scarce skills, institutional know-how and wisdom)
- Readiness-risk (in the context of succession management)
- Transition-risk (the risk of new leaders failing in new roles)
- Portfolio-risk (poor deployment against business goals)
- Weak bench strength (leadership pipeline).



A comprehensive analysis of current talent (what the organisation has) is particularly helpful in the context of a major strategy shift and/or mergers and acquisitions, when there may be a number of unknowns relative to the organisation's future direction.

Information about employee and organisational capability drives investment decisions and risk-mitigation strategies.



TALENT REVIEWS

A talent review, usually executed within the context of a talent strategy, is a rigorous competency-based assessment of employees, to:

- Identify high-potential employees and future leaders
- Determine bench strength at a particular level (e.g. middle management)
- Identify talent gaps, organisational vulnerabilities and risks
- Develop a view of organisational capability (within the context of a chosen business strategy).

Talent reviews typically involve the assessment of significant groups or whole strata within the organisation (e.g. all senior managers), to provide a robust evaluation of an organisation's capability to execute a desired strategy, as well as individual readiness to step up to various business imperatives (e.g. new market penetration or business turnaround).

In addition, talent reviews provide a solid basis for decisions on restructuring or redeployment initiatives. The data is also invaluable in the context of a segmented employee development strategy.



COMPETENCY-BASED ASSESSMENTS

Talent review processes assess candidates against a set of competency clusters such as:

- Business acumen
- Action (Ability to make things happen)
- Leadership
- Interpersonal effectiveness
- Decision-making.

Examples of competencies include:

- Strategic perspective
- Action-orientation
- Entrepreneurial thinking
- Conceptual thinking
- Impact and influence
- Relationship building
- Learning agility
- Emotional intelligence
- Ability to navigate ambiguity and uncertainty.

TALENT REVIEW OUTCOMES

The results of a talent review form the input to multiple human capital management processes and strategies, including:

- Succession management
- Leadership development
- Learning and growth
- Recruitment and selection
- Retention
- Career management, and
- Cultural re-alignment.

Composite results are presented in dashboard format that makes for ease of interpretation and informed decision-making. A **comprehensive risk-analysis** is an important feature of the integrated results. In particular, areas of business risk and vulnerability are highlighted.

Feedback to assessed candidates is an integral component of the process.



PROCESS AND METHODOLOGY

Assessment centre methodology (simulations) and a range of validated psychometric measures are used to collect data in a mainly supervised environment.

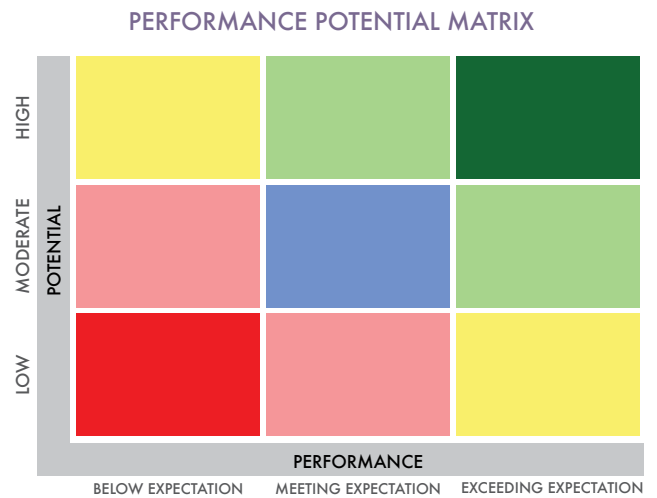
The process is executed under the auspices of licensed psychologists with advanced training in psychological profiling and assessment practice.



TALENT MAPS

Using a nine-box performance/potential matrix, the composite results of a talent review are depicted visually.

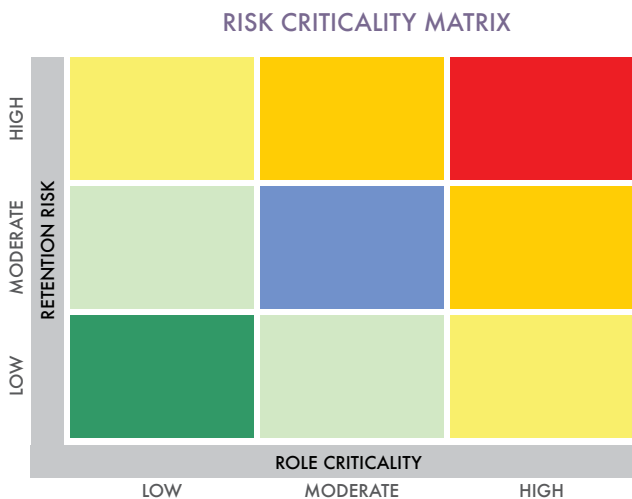
The matrix allows for a time-based snapshot of the relative distribution of talent across a given organisational level or target group.



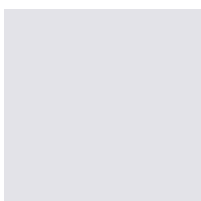
SUCCESSION MANAGEMENT AND RETENTION RISK

Succession management involves the identification, development and retention of potential successors for strategy-critical job roles at different levels of the organisation.

A risk-criticality analysis forecasts the likelihood of an identified successor in a strategy-critical job role exiting the organisation during the next 12-18 months.



Talent review results are also used to form views on the transition readiness of individuals into more senior or complex roles.



BENEFITS OF TALENT REVIEWS

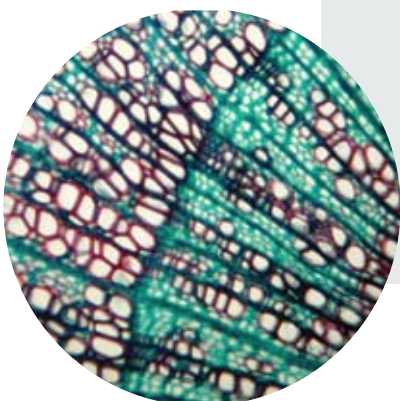
The results provide a view of:

- The relative distribution of talent across the organisation
- Vulnerabilities, risks and gaps (in relation to key business drivers)
- Learning and growth needs (across organisational levels)
- Clogged leadership pipelines
- Pipeline failures (under-performing individuals)
- Incorrectly deployed individuals
- Bench strength (in relation to strategy-critical job roles)
- Culture- and strategy-fit.



In particular, talent reviews:

- Create a strategic focus around talent management
- Validate (or contradict) assumptions about potential
- Establish a common vocabulary throughout the business
- Allow for the early identification of rising talent
- Assess the readiness of individuals for transitioning into more complex roles
- Result in the creation of talent pools
- Accurately diagnose talent gaps
- Create a focus on career planning and development
- Result in better quality decisions (about people)
- Drive targeted investment decisions (focus on employees who will yield the highest ROI)
- Facilitate proactive risk-mitigation actions (including a segmented retention strategy).



ABOUT THE TALENT INSTITUTE

The **Talent Institute** is a professional services firm that specialises in helping clients develop and implement talent strategies to more effectively manage the acquisition, deployment, development and retention of talent to support current business strategies and to prepare for future challenges.

Our focus is on *reducing people risk* in organisations - which ones to hire or promote and when - how to train and develop them to their fullest potential - and how to organise them and systems around them to maximise their collective potential. Our combination of psychological insights and real-world business experience removes the guesswork from making decisions about people.

Our team of psychologists and experienced management consultants offer proven solutions for hiring and promoting the best, identifying and developing extraordinary leaders, enhancing organisational capability and unleashing talent.

Our work is grounded in organisational psychology and the science of measuring and developing people and organisations.

A virtual management consultancy, we deliver services at any location preferred by the client.



■ SOUTH AFRICA

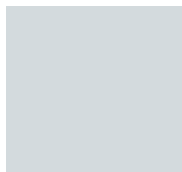
■ AFRICA

■ MIDDLE EAST

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