

Talent Management for Business Leaders

In “Good to Great”, Jim Collins gave us the mantra: *“Get the right people on the bus, the wrong people off the bus and the right people in the right seats.”* He also emphasized *“the degree of **sheer rigor** needed in people decisions in order to take a company from good to great”*.

Peter Drucker likewise emphasized the importance of people decisions, saying: *“Executives spend more time on managing people and making people decisions than on anything else – and they should. No other decisions are so long-lasting in their consequences or so difficult to make”*. Drucker went on to say: *“And yet, by and large, **executives make poor promotion and staffing decisions** ... their batting average is no better than .333 ... **In no other area of management would we put up with such miserable performance.** ... we need not and we should not ... especially since in no other area of management do we know so much”*.

When asked which measurements “give the best sense of a company’s health”, Jack Welch replied: *“Employee engagement first! ... That’s why you need to take the measure of employee engagement at least once a year through anonymous surveys in which people feel completely safe to speak their minds”*. Jack Welch put **employee engagement** ahead of **customer satisfaction** and **free cash flow**, his next two choices.

Five more essential perspectives round out the talent management overview:

- Job match (right people in the right seats) predicts job performance far better than traditional measures such as education, experience and training.
- Pre-employment screening of all jobseekers delivers exceptional value by avoiding costly hiring mistakes.
- The U.S. Department of Labor’s Uniform Guidelines on Employee Selection Procedures not only establish compliance requirements, but also teach employers how to systematically hire the best, using valid, job-related selection procedures.
- Advanced psychometrics, expert system software, PCs and the Internet have come together to make a wide range of high-performance on-line surveys and assessments both highly accessible (anywhere, 24/7/365) and tremendously profitable. From job matching to pre-employment screening and from team building to 360° multi-rater feedback and much more, best-in-class on-line assessments do all the heavy lifting. That gives management the ability to routinely make superb people decisions.
- Hiring processes that start with resume-based screening and rely heavily on biodata and unstructured interviews cannot compete in the war for talent.

Talent management remains the consummate leadership responsibility. *“Making the right people decisions is the ultimate means of controlling an organization well. Such decisions reveal how competent management really is, what its values are and whether it takes its job seriously.”* — Peter F. Drucker