

■ Expert Insights



Four Essential Tactics for Optimizing Organizational Talent

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Introduction

The state of the economy is unfortunate, but now more than ever you have the opportunity to optimize your organizational talent. While cost cutting may be inevitable; its important not to fall into some of the common traps that will put you at a disadvantage when the economy turns around.

The bottom line is that you need to know your human capital inventory well enough to make the best decision, and have the courage to take calculated risks to upgrade when the opportunity presents itself.

Our researchers have identified four essential tactics to optimize your organizational talent. These are:

1. Remove your chronic underperformers
2. Remove your bad apples
3. Uncover your hidden gems
4. Never stop your hunt for high quality outside hires

This paper elaborates on the four essential tactics.

Four Essential Talent Optimization Strategies

1. Remove your chronic underperformers



A Common Scenario

You've probably seen this before: Jenny is a nice person and doesn't cause a lot of waves, but she just isn't very good at her job. She's moved around and has had a lot of chances, but she just doesn't have what it takes to be effective. This is especially important for people in the higher pay scales.

Well, spring is here, and it's time a good time to clean house. First, identify your least effective employees. Then determine if they are chronic low performers or just a bad fit for a particular job, or have a bad manager, insufficient training or lack of resources.

However, you need to be honest with yourself. They may be nice people, but if they can't or won't add sufficient value, then you need to make the tough decision and let them go. If you endure them, then your marginal to top performers lose the incentive to go above and beyond average job performance; they see mediocrity is both tolerated and accepted.

Do you have the data to support your decisions?

These decisions are best made when supported by facts as opposed to opinion. There are many assessment tools that give you objective data to determine if an employee is a chronic underperformer or the victim of other circumstances that can be overcome.

Four Essential Talent Optimization Strategies

2. Lose your bad apples



The T.O. Syndrome

Here's another one that is probably familiar: Terrell Owens is a talented wide receiver but also a chronic bad apple. He has become a divisive distraction on every team on which he's played.

Do you have bad apples on your team? These people may have some talent and may even be good at their jobs, but do their bad attitudes, negativity, and trouble-making behaviors really make them worth keeping? In these times, it is essential to get rid of them. Now more than ever, you need team players who are on board with the program.

We're not advocating breeding a group of "yes-men." The devil of implementing strategy is in the details, and you need people to raise their hand when they sense something isn't right or is missing. But they need to do so in the spirit of making the organization better.

Have you considered the collateral damage?

Research shows that people assimilate to their environment, which means that poor morale is contagious. Gallup estimates that actively disengaged workers cost the American economy up to \$350 billion per year.

Bad apples distract your productive employees and negatively impact productivity. When all is said and done, even a high performing employee who has a bad attitude and no desire to be a team player will cost you much more than they are worth. Swallow hard and show them the door.

Four Essential Talent Optimization Strategies

3. Uncover your hidden gems



Low Cost + High Potential = Mother Load!

Once you have made necessary reductions and redeployments, begin tapping into your richest resources. Is your organization utilizing its talent to its fullest potential? They are called “human resources” for a reason! Make use of the resources you have, with a process to prospect within your departments.

According to an ASTD research study, most organizations focus on talent management for senior executives and high potentials. The decision to have such a narrow focus thwarts talent upgrade efforts. In order to upgrade talent company-wide, employees in all positions should be audited and considered.

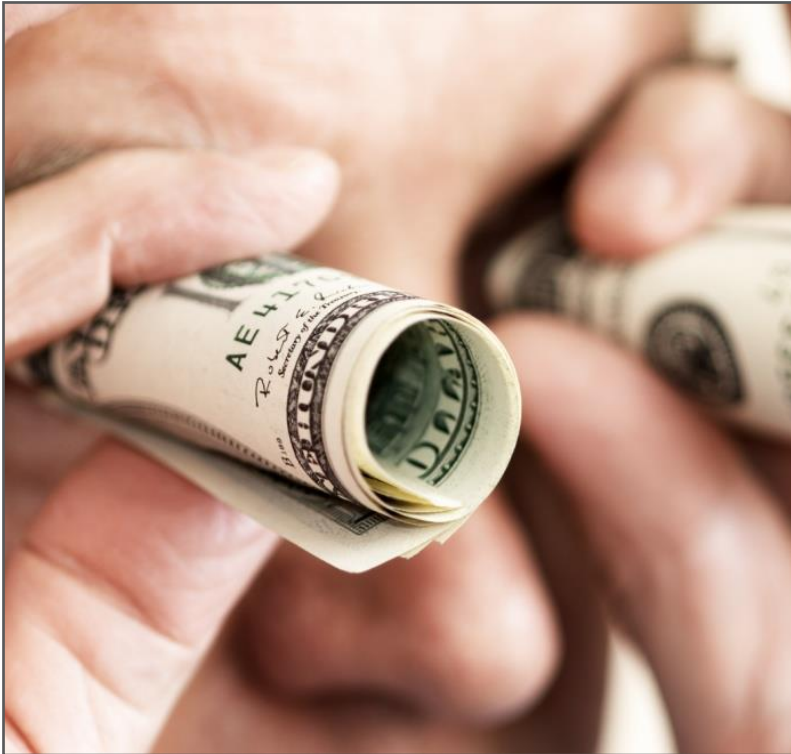
Diamonds in the Rough

This will help you identify who has the DNA and desire to be a future leader in the organization and who is petered out. This will give you better insight into an employee’s long-term value to the company, while giving them the chance to develop the skills and experience they need to shine. Do what it takes to give them opportunities and build loyalty in the process.

Assessment instruments are extremely effective to help you sift through five tons of debris to find that two carat diamond.

Four Essential Talent Optimization Strategies

4. Never stop your hunt for high quality outside hires



The Folly of Hiring Freezes

The notion of a “hiring freeze” is a ridiculous concept because you should always be on the lookout for the very best people you can find, regardless if they are internal or external recruits. Times of change and uncertainty present unique opportunities for organizations.

The supply of talent has never been so abundant or so affordable. There are large numbers of sales, finance and technical professionals trained at Fortune 500 companies looking for work. These people may not be right for every organization, but they often bring advanced training, know-how and contacts.

It Costs Very Little to Look and Talk

It costs very little to assess and interview qualified candidates. This is especially true when you’re re-designing jobs to drive efficiencies in the organization. Although hiring outside candidates is usually viewed as being higher risk, not having a preconceived notion of how things were done in the past may actually enable them to adapt better than a tenured employee.

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The Bottom Line

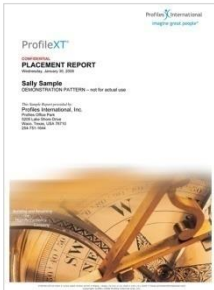
The bottom line is this: you have a unique opportunity. You can lower overhead while increasing efficiency and productivity. Dr. Jac Fitzenz, CEO of the Human Capital Source said, “Gaps in [the organizational fabric] are opportunities for someone to step in and make a difference in the way the fabric is re-woven.” Those who are kept should be made to feel that they are the chosen ones.

The Formula for Success

By strategically retaining your worthwhile employees, you increase the likelihood of them remaining with you for the long haul while also raising the level of accountability and the clear expectation for visible results. Combine this with some strategic outside hires and you have a formula for success.

Need Help?

Our PXT assessment helps your organization support a more consistent talent upgrading process and helps your managers make better selection decisions.



It gives you facts to help:

- Optimize your organization
- Re-deploy valuable workers
- Uncover high potentials
- Evaluate outside talent

Please contact us to learn more.

630-898-5600 ext. 1

Tear Sheet: Four Essential Talent Optimization Tactics

1. Remove your chronic underperformers

- Identify chronic underperformers
- Assess job and managerial fit
- Be courageous and do the right thing

2. Remove your bad apples

- Identify the bad apples
- Assess to determine if they can “get with the program”
- Be courageous and do the right thing

3. Uncover your hidden gems

- Uncover who has hidden potential
- Take measures to help them realize their potential
- Build enthusiasm and loyalty for the long haul

4. Never stop your hunt for high quality outside hires

- Just say “No” to hiring freezes
- Talent has never been so abundant or affordable
- It costs little to assess and interview potential candidates