



# IMI TALENT FORUM 4

TURNING TALENT DATA INTO REAL INFORMATION

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## INTRODUCTION

The IMI Talent Forum provides thought leadership in the field of talent management making it a relevant “go to” place for senior executives, specifically Talent and HR professionals. The “members” of the Forum can expand their knowledge, insights and contacts to anticipate, inform and respond to their Talent challenges and strategy.

The 2016 forum provided a comprehensive series of four sessions affording members with the opportunity to enhance their organisations talent strategy. As a re-cap, below is an outline of the topics and keynote speakers:

- Rob Jones ‘Set the Context’ for the need for talent management and share his people experiences through his session on ‘People lessons from a pop-up organisation’
- Rob Briner and Eric Barends, put traditional management strategies under the microscope and discuss the ‘Evidence for talent management’ in their session on ‘Talent Management – what’s the evidence’
- Following on neatly from this, the third talent forum, led by Professor Adrian Furnham, Department of Psychology, University College London challenged our perceptions of leadership and in particular the derailers of leadership.
- And finally, Shlomo Ben-Hur brought it all together by focusing on the ‘Measurement of Talent Management Strategy’ through his session on ‘Turning Talent Data into real information’

## TALENT FORUM 4

In the last of the 2016 IMI Talent Forum Series, Professor Shlomo Ben-Hur, Professor of Leadership and Organisational Behaviour at IMD led an insightful session covering two topics; **Building Talent Intelligence and Changing Employee Behaviour.**

### BUILDING TALENT INTELLIGENCE

Professor Ben-Hur started by defining the challenge for organisations – human capital is increasingly replacing financial capital as the engine of prosperity. He referenced expanding demand for workers, demographic shifts, supply and employability issues as all contributing to this challenge. Key, he said, to managing the human capital or talent within organisations, is what he called Talent Intelligence. He defined this as what businesses and leaders understand about the skills, expertise and qualities of their people (in terms of need, have and available).

In operational terms, Professor Ben-Hur said, Talent Intelligence is about (a) Assessing talent at the individual level and (b) Making better use of this talent data to make informed decisions at the organisational level.

Regarding Assessing talent at the individual level, Professor Ben-Hur spoke about the challenge of finding employees with the elusive ‘X-factor’ – the special quality or talent that is essential for success, but difficult to describe.

He discussed the range of biases that impact on employee selection (first impressions, emotions, similarities, peer pressure, social conformity, admiration of experts, sequencing, halo effect), and the growing range of methods used during selection as an attempt to overcome these biases (from interviews to psychometrics to assessment centres to 360 feedback to simulations).

He noted, however, that despite this increasingly range of methods, in his research of 100 board members of Fortune 500 companies, he found that only between 40 and 50% of organisations are satisfied with their talent assessment methods.

He asked why this is this case, particularly in light of research that shows assessment can actually improve prediction of on the job performance? He suggests that several factors contribute to this lack of satisfaction with selection assessment including:

- 1) The complexity or range of factors that account for success (experience (8%); capabilities (9%); personality (12%); intelligence (32%); emotional intelligence (2%))
- 2) The fact that even within these factors there are complexities (e.g. IQ predictive success varies with the complexity of the task and the IQ level of the team)
- 3) The reality that adding additional assessment methods may have limited incremental value
- 4) The difficulty of articulating the 'x factor'
- 5) The lack of valid research around sourced selection tools.

So what can be done to increase satisfaction with selection? Professor Ben-Hur suggests focusing on getting interviews right, being an educated consumer of tools and looking at fit from a broader perspective (per-job fit; person-firm fit; person-team fit and person-boss fit).

At the organisational level Professor Ben-Hur emphasised the need for 'good' data rather than big data as the basis for informed talent decision making. He posed a number of data-based questions to the room related to tracking of promotion, competences etc. and found the level of reply to be consistent with expectations.

He said that globally HR is challenged by the lack of use of 'good' and intelligent data. He said 'The trouble with most companies' talent intelligence is that it is just not that intelligent'. For example, he says, assessment data is often overlooked; it's not fed into the organisation's talent data 'bank' and so not available for decision making. His advice to organisations is to take even simple steps in data collection and collation, and he offered several examples of organisations where this paid dividends.

Professor Ben-Hur concluded this part of the session by saying organisations should either get Talent Intelligence right or give it up. His advice on getting it right was:

- 1) Become an educated consumer of talent assessment and data tools
- 2) Unify your data centrally and create common data points for comparison
- 3) Sharpen your data by connecting it to other measures of performance
- 4) Transform your data from numbers to intelligence by identifying the critical talent related questions for your organisation and collecting and analysing only data relevant to these questions
- 5) Clarify your talent strategy in terms of accountability, emphasis on fluid talent pools and resourcing and retention strategies
- 6) Be honest about accountability and engagement across all of the stakeholders to the process (reference the Vitality Wheel)
- 7) Conduct audits using leading and lagging indicators across all activities.

References:

Kinlay, N. and Ben-Hur, S. (September 2013) 'Turn Talent Data into Real information', Harvard Business Review

Kinlay, N. and Ben-Hur, S. (2013) Talent Intelligence: What You Need to Know to Identify and Measure Talent. San Francisco: Jossey-Bass (Wiley) books.

## CHANGING EMPLOYEE BEHAVIOUR

In managing talent within companies we talk about giving feedback, coaching, mentoring, training, development, learning. All of these activities have a shared goal of behavioural change – building a new skill, stopping doing something or doing something better or differently.

The training business is worth 88 billion dollars. Yet many businesses have concerns on the return on their investment and in particular the translation of this investment into behavioural change.

Professor Ben-Hur quoted an IMD survey of 500 executives. These executives were asked what they wanted to change in terms of behaviours and skills within their organisation, and how confident were they in implementing and sustaining this change. The results show the cohort were clear on what they were trying to change, but when it came to implementing and sustaining the change there was variable in confidence levels. For example, executives were, in the main, confident about giving feedback (72%) but less confident about motivating people to change (28%). Lowest of all was the percentage of managers who felt confident in knowing how to sustain change over time (9%).

In looking at this area of building sustainable behavioural change Professor Ben-Hur noted that there is a greater emphasis on the Identify stage (what need to change) than on the Resolve (how can this change occur) stage. He suggests that even the coaching model as it is applied is overly focused on the What rather than the How.

A central message from Professor Ben-Hur in this session was that ‘The vast majority of organizations largely ignore the one factor that most researchers agree is the most important for ensuring the success of change and development activities - the Context (environment and conditions in which change happens)’

He explored context in terms of internal factors (motivation, confidence, perseverance) and external factors (managerial attitudes, incentives, support, social norms, accountability).

By way of illustrating the impact of context on the success of change he spoke about how managers create a context for their employees which sets them up for long term success or failure. He noted the tendency of managers to divide their subordinates into an in-group and out-group within the first month of their relationship. This division is then used as a template of what good performance and weak performance looks like. Managers have different expectations (positive for the good performers/in-group and negative for the weak performers/out-group) and behave differently towards each group in terms of leading vs managing, distribution of tasks etc. So in effect ‘sub-ordinates are placed in boxes and the key are thrown away’. (Reference: The Pygmalion Effect).

Research has established that ‘the single most influential factor in a person’s working context is their relationship with their manager... so changing the context means managers doing something differently.’

Professor Ben-Hur then introduced the MAPS model developed with Nik Kinlay as a framework to manage context:

Motivation – do they want to develop?

Ability – do they know what to do and do they have the skills required to develop?

Psychological capital – do they have the inner resources, such as self-belief, willpower and resilience, they need to sustain change?

Supporting environment – do key elements in the working environment, such as social support, habit structure, and choice architecture support change?

He spoke about Nudging - things we can do in the environment to encourage certain behaviours, and asked us to consider how can we nudge our organisation's behaviour?

## SUMMARY

So in conclusion, Professor Ben-Hur gave two key messages, firstly saying that organisations should either get Talent Intelligence right or give it up and secondly for us to reflect how we can develop talent from the inside and nudge their behavioural change.

References:

Kinlay, N. and Ben-Hur, S. (2015) Changing Employee Behaviour – A Practical Guide for Managers. London: Palgrave MacMillian books.

