

SEEKING TALENT – AN ELUSIVE EFFORT?

- *Christiaan Mostert* -

Many companies will boast that their employees are their most important asset. However, if you look more closely, you will often find that these companies have a very loose way in employing new recruits, let alone retaining them. Very few have a strategy in place to attract and retain *talented* people.

In a landmark study, McKinsey Quarterlyⁱ concluded in 1997 that there is an imminent shortage of not only executives, but also skilled and especially talented employees. Ten years later, this warning has become a major reality for many organisations. A large pool of “baby boomers” are about to retire and question marks are abound about the appropriateness of the skills of younger generations to take over.

Companies that are successful mostly understand the importance of building their competitive advantage around the talented people that they employ rather than their specific standing of product offering in the market.

There are increasing indications that in a modern and knowledge-based business environment, intangible assets (i.e. skills and relationships) can create considerably higher value than traditional assets (i.e. physical products).

Business leaders are also becoming concerned, judging by global surveys done by McKinsey Quarterly. The first studyⁱⁱ, in 1997, indicated that finding talented people has become one of the most important management focus areas for the remainder of this decade. This conclusion is fast gaining new meaning as the world is facing tough economic times, as we are currently experiencing, where there may be a general increase in available skills in the market, but no easy way to identify and attract these individuals.

The second studyⁱⁱⁱ was done in late 2007 (with 1,300 executives) where it was also identified that competition for skilled and talented people will increase drastically over the next five years.

TALENTED PEOPLE – ONLY THE LIMITED FEW?

There is a fairly widespread belief that most companies do indeed try to recruit employees that will become successful. Companies often invest heavily into human resources processes and even systems to address these problems^{iv}.

However, we often also find that efforts to attract people that are likely to perform at the top end of the performance scale is at best insufficient and superficial, and often ineffective, random and even wasteful at worst.

To truly develop top performing people in organisations we require a few solid fundamentals to be in place:

- A specific approach to finding and approaching the right people
- Recruiting or promoting them into the right area of the business (organisational fit) where they will have the opportunity to excel.
- Empowering HR and line managers with additional capabilities to develop these individuals.

Although the notion of talented people is often meant or implying a few, radically successful people, the realisation is dawning that companies actually need a wide base of talented people that can generate radically higher value and returns for these companies.

We believe that it is possible for organisations to use precision recruitment as a strategic level approach to place people in such a way that they are likely to be successful to the same level as top performers in the organisation. After a certain period of time the whole team will consist of successful people, enabling a positive spiral of success leading to more success. This can allow companies to start generating their own talented people.

GROWING CHALLENGES

As the number of so-called Generation Y-people (those born after 1980) become more important as part of a workforce (already > 15% of the workforce), traditional managers will find it increasingly difficult to understand these youngsters in the workplace. They are characterised by living for the moment with relative short planning horizons and little desire to work for many years in any single organisation.

They are therefore not only harder to manage (at least for traditional managers), but recruiting them correctly will be an even bigger challenge. Their willingness to explore and take risks will see them becoming mobile internationally, again bringing even bigger diversity into the equation when recruiting staff. Recruiting this new generation workforce is becoming a major challenge, let alone identifying and developing their talent.

In many countries there are unfortunately increasing indications that HR departments are focused mainly on administrative functions (payroll, leave, etc) and to manage legislative and legal issues (industrial relations, occupational health), etc. Recruitment is also often seen as a mere administrative procedure. These approaches will undoubtedly not allow these organisations to recruit precisely, let alone develop any talent.

A METHOD TO PLACE EMPLOYEES MORE SCIENTIFICALLY

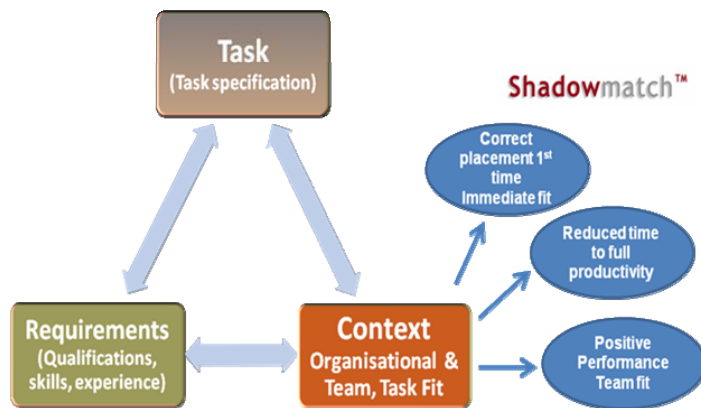
A recent Harvard Business Review study has concluded that the effectiveness and validity of traditional recruitment practices have come under pressure in recent years. It is expected to become even more so as the study shows for instance that men and woman increasingly perform at the same level in organisations. Likewise age, race or ethnic background have as such little bearing on being successful in job performance. It was concluded that "It's not experience that counts or college degrees or other aspected factors – success ultimately hinges on fit with the job".

To consistently recruit people successfully, a precise and scientific method will be required to understand, prior to the appointment, whether the person is likely to *fit* into the position.

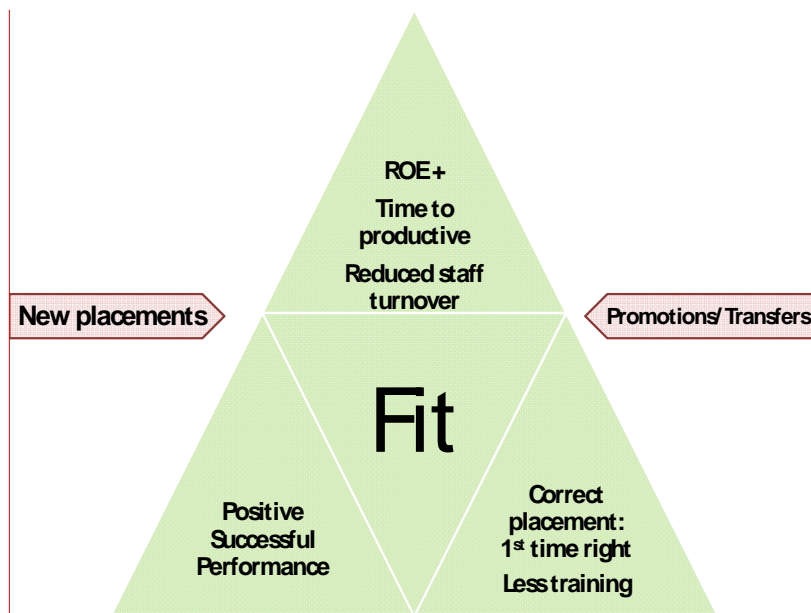
It is also important to realise that success is only achieved when the task is aligned to the capabilities and behavioural preferences of the individual. Most companies can determine the task

specifications in detail and then attempt to recruit individuals that have the necessary qualifications and work experience to match the task. The problem however lies with the *context* in which the individual will have to work. Not only are there behavioural aspects and preferences of the individual to consider, but he or she will have to fit into a team of some sorts.

Shadowmatch™ has been developed to specifically address the contextual aspects of the recruitment process. It can scientifically determine the common habits and traits that successful people in a specific business area share (the “Shadow”) and that can be used as a benchmark to compare and/or recruit applicants against.



Shadowmatch facilitates the precise recruitment and placement of new and existing employees, radically increasing organisational fit, increased performance, reduced time to become fully productive, reduced staff turnover, happier people and, overall higher Return on Employment.



Comment [c1]: Time to productivity

Shadowmatch utilises a non-psychometric, web-based questionnaire to create a profile of the individual's habits and traits. The combined profiles of the group of successful people then become the "shadow" and is statistically verified to ensure that these people do indeed all share certain habits and traits in a congruent manner.

Shadowmatch provides precision insight into the level of fit that you can expect from applicants when placed in a specific work area.

- Precision and scientifically based recruitment of all graduate and non-graduate staff
- Precision placing, transfer or promotion of existing employees
- Precision consideration of temporary or contract staff against your organisation's success attributes
- Precision interviewing of new appointees (a unique interview pack is generated based on the Shadow attributes)

When an organisation takes the decision to view their recruitment process as a strategic activity, the foundation is laid to enhance the success of all employees dramatically. Traditional methods of recruiting are however not suitable to deal with the changing workforce for one, and secondly to recruit talented people to enhance success even further.

CONCLUSION

Although attracting talent can be viewed in a narrow sense to only attract the highly talented few, most companies can actually engage in a process to increase the general level of talent throughout the organisation. By ensuring that teams become highly successful through general recruitment of people that are not only qualified, but that would fit the team exceedingly well, organisations can start to generate an upward spiral of success leading to more success. Learning and leadership interventions can also be maximised in this way.

Shadowmatch has been proven in numerous companies as a strategic-level recruitment tool to radically enhance the potential for employing people who are likely to succeed company-wide. In these organisations, talent can therefore become a wide pool rather than just a narrow few.

ⁱ McKinsey Quarterly (1997). The War for Talent. www.mckinsey.com

ⁱⁱ McKinsey Quarterly (1997). The War for Talent. www.mckinsey.com

ⁱⁱⁱ McKinsey Global Survey (December 2007). www.mckinsey.com

^{iv} Guthridge, Komm, Lawson (2008). McKinsey Quarterly Jan 2008.