WINNING THE WAR FOR TALENT

You probably have heard or read about the ongoing shortage of talent in any number of industries and professions, and your organization probably has struggled, or is struggling, with how to compete in the "war for talent." Many organizations are redefining their focus to concentrate on those areas of their business where they can generate the highest margins with the talent that they have on board. This clarity of focus, and sticking to what you do best, are important steps in the right direction. But it's just one of several steps that you need to consider in order to maintain the long-term viability of your organization.

Over the years, some managers have lamented the lack of really high impact people at their organizations. They can recite the strengths and weaknesses, (and the weaknesses usually outnumber the strengths) of their key people, one by one. Their conclusion often is that they, the managers, just can't seem to find and keep really good people. Consequently, they put up with the people that they have and accept this artificial constraint to their growth and success.

Yet other managers take pride in the types of people they have working for them. The cultures at these organizations reinforce the high level of performance that is responsible for their success. And they continue to hire and retain high impact players that make a difference for them and their customers or clients. In talking with many of these managers, you wouldn't know that the talent shortage is so severe.

So what is it that separates these two camps? Why do some organizations continually struggle to get the right people, and others are full of them? In my opinion, there are four primary factors that account for these differences:

- Clarity of focus
- Strategic hiring practices
- Employee development and training practices
- People get paid to be successful
- Effective Leadership

Clarity of Focus
In some organizations, people may all seem to be busy, but they're working at odds with one another. At best, the right hand doesn't know what the left hand is doing, and at worst, they actually are impeding one another's progress. Being busy can be good, but it should be driven by what's really important to the organization. If a manager can't honestly explain what's important to the organization, why it's in business, and what it means to a prospective new hire, how can you expect to get the best person for the job? There needs to be a connection between what you're trying to do in your organization and what types of knowledge, skills and attitudes your people need to help carry it out.

Organizations who know who they are, why they exist, and what they do better than their competition typically attract and retain the kind of people they need to carry out their mission and long-term objectives. This clarity of focus makes for a strong "selling" message, not only to prospective clients and customers, but to prospective employees as well. It allows job applicants to understand what they are signing up for, and to understand that their jobs will be part of something bigger—something with meaning that will transcend the humdrum eight-to-five workday. It will be easier to "connect the dots" between the employee's aspirations and what they will be doing at work.

> *Example: One organization's vision is to be the premier provider of services in their industry. Their culture is performance-oriented. The top management team is unified in its view of what's important and what's not, and this message permeates the company. People earn respect for the results they achieve on their projects. New employees understand the company's core values and the career opportunities they have there. This company is on its way to becoming an "employer of choice."*

> *Example: A nonprofit organization serving women and children is absolutely focused on carrying out its mission. It attracts people who want to make a difference in the human condition through their part in the organization. Their pay scale is somewhat below the for-profit sector, but they have an engaged, talented group of people doing extraordinary things there.*

Strategic Hiring Practices

Organizations with a clear sense of direction understand the demands their people face now and will face in the future. They look for people with the right combination of skill, experience, education and temperament to fill the jobs. This doesn't happen in a vacuum—it requires a conscious process to really think through the required and desired traits they are looking for in a candidate. They don't take shortcuts in the process, and they don't just hire a warm body to fill a vacancy. Southwest Airlines is an example of best practices in this area. At Southwest, managers hire for temperament and train for skills required. If you've ever flown Southwest, you know what I mean. Their flight attendants are some of the most likeable people in the sky.

It's really pretty simple: if you don't know exactly what you're looking for, how can you get the right combination of knowledge, skills, and attitudes?

> *Example: A company that supplies the construction industry carefully develops job descriptions and required and desired qualifications for the positions it fills. Candidates complete applications and, if it appears that they are potential hires, a manager screens them in a preliminary interview. Managers use behavioral interview techniques to dig into the applicants' methods of dealing with situations that they might encounter in the new job. If they still look promising, they are interviewed by more managers. The managers compare notes, and if they still look promising, the candidates complete a behavioral assessment instrument to validate the impressions that the managers have formed. Only after this process is an offer made to a candidate, contingent on satisfactory references from former employers. Does it take time and money to accomplish this? Sure it does, but you ought to see this company's bottom line.*

Employee Development and Training Practices

Note that this section's title includes both "development" and "training." Some organizations provide "training" in skills required for the job. But fewer yet provide true education and "development" opportunities that will make their people really valuable to them. Most education and development opportunities at these companies are restricted to upper level managers, if any are provided at all. Managers and supervisors may place little emphasis on bringing out the best in their people and helping them move up through the organization. Feedback is spotty, and performance evaluations, if done at all, are a necessary evil to be completed as quickly and painlessly as possible. People often aren't held accountable for specific outcomes or for improvements in their job skills and behaviors. These practices may attract people who are comfortable with the status quo, but not those people who want to have an impact where they work.

Organizations staffed with high performers have built education and development into the way they do things. Their people get to learn the skills and behaviors that they must acquire to move up the food chain in the organization. Their people get job assignments designed to reinforce their education activities. Managers and supervisors take an active role in developing their people and making them more productive in a holistic sense. Coaching and mentoring processes are formalized, and people get real-time feedback on their progress. There are no surprises at the formal employee performance appraisals. People are clear about their individual goals, which include individual improvement plans, and they are held accountable for them. Managers don't wait until the next performance review to be sure that progress is being made, either. All of these practices attract high impact players.

> *Example: A second-generation family business selling services and products to the business community has continued to grow profitably in spite of the "big box" stores in its markets. Members of the management team undergo a 360-degreee review process to prepare for annual performance reviews. Every year, the managers meet as a group to discuss the next year's business plan and their parts in it. The CEO then meets with them each individually to work with them on individual plans that dovetail into the overall business plan. These individual plans also include activities to improve their general management skill set. The CEO spends a lot of time with them individually throughout the year overseeing their progress toward their goals and helping remove barriers to success. Management succession shouldn't be a problem here when the CEO decides he's ready for more time on the golf course.*

People Get Paid to Be Successful

At some organizations, people get paid to show up. Accountability is low, and the status quo is the norm. If managers decide to try a new way of doing things, people (including the managers) still get paid to show up, or at least for what they have been doing, rather than for what they're expected to do under the new initiative. Is it any wonder that most organizational change initiatives are rated as less successful than hoped for by management?

Organizations who have a high performance culture pay people for achievement—achievement of company goals and personal goals that support the company goals. People who are more successful have greater earnings potential than those who aren't. Management has taken the time to develop pay plans that will reward people for being successful, not just for showing up. Performance incentives make up a significant portion of a person's pay. We're all just renting behaviors from our people. Make sure that you specify and reward the behaviors you want to rent from yours.

> *Example: A construction services company had developed a fairly robust method of calculating year-end bonuses for its managers, based on overall corporate profitability and individual profitability on projects. Management "tweaked" the pay system to reward key people for adoption of a new software platform that the company needed for better project control, and guess what? The software was, in fact, finally implemented!*

And not all rewards have to be monetary: praise for a job well done and recognition for consistency in high levels of performance go a long way as well.

Leadership

The tone at any organization is set at the top. If you and your management team lack clarity of focus, you can rest assured that everyone else will, too.

> *Example: In one organization with several partners, decisions routinely are made among the partners and commitments to follow through are made in connection with the decisions. Unfortunately, the organization has a passive-aggressive culture which allows leaders merely to give lip service to decisions—they agree to do one thing, but then actually do something else. When the issue is raised, they respond that they didn't really commit to the decision—just to think about it. There goes the clarity of focus.*

Part of the leader's job is to set direction and part of it is to communicate. If you and your management team take for granted that everyone else "gets it," you will be in for an unpleasant surprise. In many companies where management complains about the lack of quality people, communication is high on the list of areas for improvement. Communication is a two-way street. It requires good listening skills. Unfortunately, in organizations having problems with staffing, leaders often aren't the best listeners.

> *Example: The CEO of a major player in its industry is known as a bright, quick-thinking, analytical type—a strong leader with good strategic thinking skills by most accounts. Yet, when his management team members raise issues during group discussions, he lets them know that he knows more about the situation than they do, and shuts off the discussion. Strong senior managers do not thrive in that type of environment. "Go along to get along" people do.*

Good leaders hire in the smartest, most capable people they find and create opportunities for them. Leaders who struggle with staffing issues focus on themselves, often to the detriment of their people.

Example: The majority shareholder and CEO of another large company was frustrated with his managers' inability to execute on major corporate initiatives. They had come up through the ranks and were all excellent in their technical or functional areas. But none of them had much general management training or strong role models to emulate as they attempted to be general managers. They needed the CEO's coaching and development to fully develop their abilities, not just his criticism for not performing. Most adults want to do a good job. The good leader helps them find a way to do so.

Good leaders are exemplars—they "walk the talk." They don't expect their people to do anything they wouldn't do. Leaders who complain about not having quality people often believe that rules are all right—for everyone else.

Example: A division manager in a multi-million dollar company is often hard to track down, doesn't return his calls from his people in a timely fashion, and frequently has customers calling for him, looking for something he promised them but did not deliver on. Yet this same manager expects his people to be at work at time, carry out their duties on time, and uphold the high standards of customer service set by the company. While they're working sixty hours a week, he is incommunicado at the golf course. High impact players generally don't stay in that kind of environment.

In an organization where high performance is valued, performance is measured and rewarded. People are held accountable. They are rewarded for good performance and recognized for their contributions. Managers who have a hard time keeping good people often don't hold everyone equally accountable (and often do not hold themselves and other management team members accountable.)

Example: At one company, year-end bonuses were subjectively allocated to employees based on their tenure and base pay. Unfortunately, some of the people who had contributed the most to the company in terms of results did not receive bonuses proportionate with their contributions. But, you may ask, isn't compensation supposed to be confidential? Yes, it is, but these things have a way of getting out—don't kid yourself. Now if you were a high performer and your bonus was the same as the slacker's in the cubicle next to you, how would that make you feel?

Managers at successful organizations have a way of making people fell appreciated and valued. This doesn't mean that you have to force yourself to be "warm and fuzzy" or "charismatic," but you need to let people know that you know what they are doing for you and that you appreciate it. It doesn't take a large bankroll to do this—it just takes some awareness and the effort to follow through. Organizations with staffing problems often have a culture where more time is spent on blaming than on fixing problems, and on finding out what someone did incorrectly instead of what they did really well. What I'm talking about is the "self-fulfilling prophecy:" If you treat your people like dunderheads, they will not disappoint you. Similarly, taking a perfectionist's approach to life can get you into trouble. As Alan Weiss, PhD, is fond of saying, "It's not about perfection—it's about success." Yes, it's about success, and it's about consistency and building trust and credibility.

> *Example: At another organization, the CEO is a volatile person with frequent mood swings. The people who work there are never sure which mood they'll see. When the CEO's mood is great, everyone's relieved. When the CEO is in a foul mood, the person who spent seventy hours the week before slogging through and successfully resolving a variety of problems can expect to be publicly berated for being five minutes late this morning. High impact players will put up with this for a while, but only if their compensation includes the appropriate amount of "combat" pay.*

I could go on, but you get the idea. To create an organization that attracts and retains high impact players, leaders must manage themselves, the culture, the reward systems and their people.

You probably noticed that the examples illustrating the first four factors in this paper were accounts of managers who are doing things right. The preceding examples are illustrations of what *not* to do. These last examples are composites based on a variety of organizations and individuals. If they resonate with you—if you've "been there, done that, got the T-shirt," by working for someone like this, you know first hand what an impact the leader can have, both good and bad.

If any of these examples created at least a little discomfort, or if they caused you to think of other instances not covered, then I have succeeded in serving up some food for thought. We are all works in progress, and we can all improve our leadership skills. If we want more high impact players in our organizations, as leaders we must take the first step. Quality people follow quality leaders.

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