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How to harness the energy of The talent wave

A linear, mechanistic approach to talent planning just doesn't work, often replicating the past or failing to recognise some of the best talent. Organisations are complex, adaptive systems, so we need a more sophisticated approach to reflect this. It's time to go with the flow...

The talent wave is a perfect metaphor for talent management and succession planning. While talent "pools" are associated with shallowness and stagnation, and "leadership pipelines" with constriction into narrow, inflexible paths that can easily get blocked, a wave is pure energy. On the sea, it is not the water that creates movement, but the energy waves that pass through it. Five years of research for a new book, however, reveals that for HR and for corporate leadership, the choice in identifying, growing and retaining talent lies between largely ineffectual attempts to control this energy and finding imaginative ways to harness and work with it.

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THE STARTING POINT for my research was a starkly challenging question, which became increasingly relevant as once-admired company names were brought to their knees by arrogant, incompetent leaders: "If succession planning and talent management work, how come the wrong people so often get to the top?" This question was rapidly followed by: "If succession planning and talent management work, why – in spite of so much effort to bring about change – is the diversity at the bottom of organisations not reflected at higher levels?"

First, I looked for evidence that the paraphernalia of corporate approaches in succession and talent – for example, the nine-box grids, the succession charts, 360-degree feedback and leadership competency frameworks – delivered what they promised. This evidence was woefully thin. Indeed, it was a lot easier to gather evidence that they *didn't* work. Some examples illustrate the point:

The nine-box grid is based on the assumption that it is possible and practical to measure individual performance and individual potential. The reality is that we can at best make a time-based best guess at both these measures. Among factors that upset the neatly lined up calculations are the inability of line managers to recognise talent (unless it is like them), the impossibility of clearly separating out individual and collective performance in many roles, and the poor transportability of high performance between roles.

Leadership competencies

A FEMALE HEAD OF ORGANISATION development expresses the point very well: "Our leadership competencies are based on the characteristics of successful male leaders from 15 to 20 years ago. They are, in practice, a significant barrier to the advancement of talented females and to adapting the business to changes in our market environment. We need to focus more on what effective leaders will look like in the future, not what they look like now, or looked like then!" In reality, leadership competencies are highly situational and constantly evolving. Trying to pin them down and make them generic is a great way to ensure that at least some of the people who get to the top are the wrong ones for the leadership situations they will face.

Both these pieces of HR apparatus are a godsend to the sociopath in the wings. These people are skilled at manipulating people and systems to their own ends. The more mechanistic and tick box the system, the easier it is for them to bend it to their own ambitions. Even processes like 360 feedback, which on the surface sort out the caring, people-oriented managers from the ruthless and manipulative, may

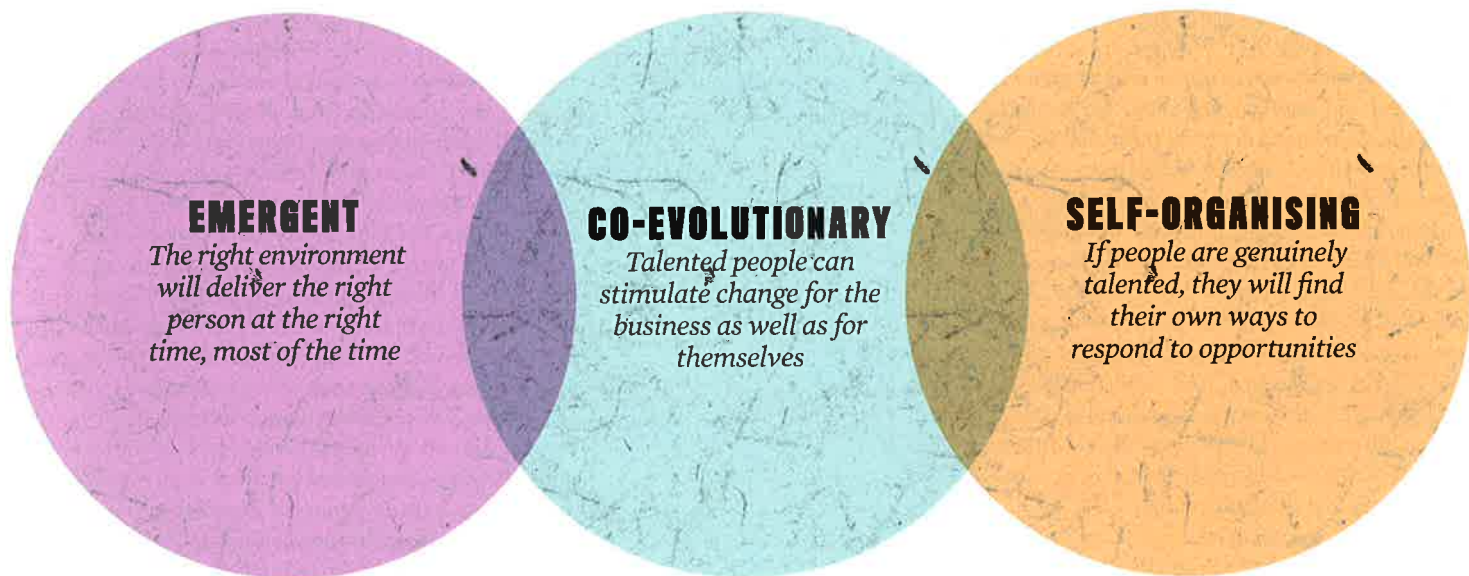


CHART 1

A new approach to talent management

in fact do exactly the opposite. Research shows that the honesty of direct reports' scores is related to how genuinely open the boss is to critical feedback. So great bosses may score less well than their sociopathic colleagues, on the basis that a) people don't want the aggro that comes from being honest and b) after a while, people come to see the dysfunctional and divisive boss's behaviour as "normal".

So how come we have been seduced into accepting all this "HR bling" as valid and helpful? The reasons stem from top management's desire to measure anything that moves and HR's desperate need to prove that it adds value. And the system does work, in the sense that, if you identify a particular group and give them lots of opportunities to experience and to learn, they are likely to advance faster than less privileged colleagues. But that doesn't prove that these were the most talented employees. In reality, those people may have taken the hint and gone off to work elsewhere, often for themselves, where their talent is appreciated.

Another powerful reason is that all of these systems are based on a major misunderstanding about the nature of the relationship between talented employees and employers. The underlying assumption is that this relationship is a

simple, linear system. You put your money in the machine, press the right buttons and out come the future leaders your organisations need.

Nothing could be further from the truth. In reality, organisations and their employees form a complex, adaptive system. People and organisations are constantly changing, so the relationship between an organisation and its talent is dynamic and evolving.

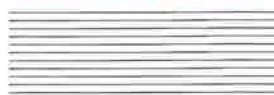
Set your talent free

AMONG THE RULES OF HOW COMPLEX, adaptive systems work is that they are:

Emergent - In a new vision of succession planning, the aim is less to fit employees into a grand plan, than to channel their energies and ambitions, encouraging the development of "deep capabilities" and trusting that the creative ferment will deliver the right person at the right time, most of the time. (See Chart 1, above.)

Co-evolutionary - When talented people adjust their ambitions and develop new skills in line with their

'THE AIM IS LESS TO FIT EMPLOYEES INTO A GRAND PLAN, THAN TO CHANNEL THEIR ENERGIES AND AMBITIONS, ENCOURAGING THE DEVELOPMENT OF "DEEP CAPABILITIES"'



observations of opportunities, they stimulate change, for the business as well as themselves (if they are allowed to!)

Self-organising – If people are genuinely talented, they will find their own ways to respond to opportunities. All they need is information and support. Increasingly, talent turns out to be invested not in individuals, but in networks within the business.

Complex adaptive systems are also, by their very nature, inefficient and unpredictable; after all, the qualities that make people talented are often those that also make them unique and difficult to classify. The more HR tries to make talented people fit into standardised talent management and succession planning processes, the more likely it is to fail. But if there is a sufficiently wide and varied talent wave in the organisation, then it doesn't matter that there is a degree of inefficiency. What matters is whether there are enough motivated, competent and creative people to move into roles when needed. And, while competence-driven homogeneity is guaranteed to undermine diversity objectives, more attention to ensuring sufficient difference in the talent wave allows for greater flexibility in terms of filling both specific and emerging roles.

Underlying the complexity of adaptive systems are simple rules that shape the way the system behaves. So, for instance, all other factors being equal (eg, broad satisfaction with pay and benefits), employees will seek roles that provide an appropriate balance between stretch (new learning), exploit (applied learning) and coast (work without significant learning potential). Employees, in my experience, will also tend to need to have been working substantially at the level above, before they are promoted to that level. Additionally, the strongest connections exert the strongest influence: if someone's strongest work/career connections are external to the organisation, it will be harder to keep hold of them.

Inefficient, but ultimately effective

ACHIEVING HIGH ALIGNMENT between organisational aspirations and employee aspirations isn't easy. But in a complex, adaptive environment, the trick is to support people in creating this alignment in their own unplanned, inefficient and messy – but ultimately highly effective – way. There are several approaches that organisations can employ (see also *Chart 2 on facing page*):

- **Use every vacancy as an opportunity to rethink the job role.** Is it still needed? Rather than who could fill a role, ask: "Who could transform it?" Let people compete for jobs. Instead of limiting the talent resource by deciding in advance who might be suitable, offer people the opportunity to say how they might tackle the role and what they would bring to it.

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- **Raise the quality and scope of conversations about jobs and careers**, so that a wide spread of employees understand and can direct their personal development towards future roles, rather than present ones. Resist any attempt to put people into boxes. People only belong in boxes when they are dead. If you must use boxes, do so only to focus people's attention on development needs, not as a means of making judgments about their promotability.

- **Shift the emphasis from putting people into roles towards "the right person, in the right role, for the right time period"**. People grow (or not) and so do the demands of the role. Over time what might have been a great fit no longer is. Two phenomena happen commonly. One is that "designated talent" is moved on too soon, leaving a mess behind them. An innovation here is to hold a "legacy audit" a few months later, and to use the results to determine time in their next role. The other phenomenon is that the manager plateau. They are not seen as promotable, but their self-esteem will not allow them a less important role. So they become an increasingly solid block in the pipeline – until an organisational crisis initiates a binge of unblocking. An antidote here is to create expectations of constant reshaping of roles and responsibilities. In one multinational company, for example, the top 150 managers have all been tasked with getting rid of at least 25 per cent of their job each year. The aim is partly to stimulate delegation and coaching behaviours, partly to open up space for their own development and for working on more strategic tasks.

- **Value people for the time they will spend with you.** So many appraisals are dishonest, because it is too dangerous for the employee to say, for example, "I'm thinking of spending another two years in this organisation to acquire the skills and experience I need for the job I aspire to, which is unlikely to be here." The chances of continued promotion would in most cases shrink pretty rapidly at this point. Yet honesty allows you to work with the employee for mutual benefit, with the result that you get far more out of them, while they are in the organisation and – according to anecdotal evidence – the time they stay is typically longer than is evidenced by more apparently "loyal" colleagues.

Going with the flow

INTELLIGENT HR FUNCTIONS AND LEADERSHIP teams should not be frightened at the thought of letting go of control of their talent. Indeed, many HR professionals I have interviewed and spoken with have been excited about the opportunity to shift from a policing to a shepherding role.

Some of the practical steps these insightful HR people are taking include changing the language and focus of talent management and succession to emphasise opportunity

Set up processes to recognise 'snakes in suits'

Emphasise opportunities for a much wider range of people

Use social networks to encourage people to take initiative

Challenge the culture that values conformity and box-ticking

Decrease reliance on simplistic models and frameworks

CHART 2

Riding the talent wave

for a much wider range of people, as well as using social networks to encourage people to take initiative and stimulate change – so often the real innovators and the most competent leaders are people who make things happen through influencing these informal, less obvious channels of communication.

Decreasing reliance on simplistic models and frameworks that aim to select and predict leadership talent is also important. While it's hard to jettison these entirely, forward-looking HR professionals are able instead to use them as simply minor inputs into the planning of developmental resources and opportunities.

Danger: sociopaths at work

OF COURSE, IN ANY SYSTEM it is important to have processes to recognise and counteract "snakes in suits" (organisational sociopaths). This doesn't necessarily mean labelling such people and keeping them out of the leadership circle; it is more about making sure they are not permitted to gain access to roles in which their fatal flaws will become uncontrollable. The legacy audit mentioned earlier is also effective for recognising these people – hold a review, three months after they have left each role, to evaluate what exactly they left behind. When

LINKS & NOTES

▶ David Clutterbuck's new book *The Talent Wave: why succession planning fails and what to do about it* is published by Kogan Page. *Developing Successful Diversity Mentoring Programmes: an international casebook* by David Clutterbuck, Kirsten M Poulsen and Frances Kochan has also been published this year (Open University Press)

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direct reports are no longer under their thumb, a more accurate picture of their leadership style and accomplishments may emerge.

Finally, challenge the culture that values conformity and box-ticking over originality and personal maturity – recognising that the best leader for tomorrow's organisation probably won't be like the best leader for today's. This also means challenging top management, when they want to appoint successors who are clones of themselves.

I began my journey of discovery behind *The Talent Wave* with a great deal of disquiet (and sometimes anger) about the damage that simple linear thinking was doing to the potential for talented individuals and organisations to achieve great things. I've ended it with far more optimism than I'd dared to hope.

I am constantly observing that, in facing up to these issues, many HR professionals are empowering themselves. As one recently said to me in private: "When we have the courage to apply original, creative and genuinely evidence-based thinking to succession planning and talent management, it exposes the logical flaws in so much other HR practice, which is equally based on overly simplistic assumptions. Embracing complexity is liberating and, in our company at least, I hope it will lead to a radical – and long overdue – realignment between HR and the business." I hope she is right. 