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The Data/Dialogue Balance: Why it Matters

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Paul Lambert, Programme Director for Henley's People and Organisational Change programmes, suggests that the concept of the "data/dialogue balance" should include real, action-oriented engagement with senior leadership and line management **(dialogue)**, supported by insightful **data** showing how talent management will support the future strategy of the organisation.

Talent management often involves a lot of conversation, without insightful data about skills gaps in the organisation – or else there is an excess of processes and paperwork ill-suited to the fast pace of today's organisation.

While many senior teams acknowledge its importance to business, getting the senior engagement and business focus that is central to the success of talent management initiatives is not easy.

Essential for success is ensuring business leaders and managers are engaged in an ongoing dialogue around a set of talent data that is aligned to business plans and, ultimately, to business success.

How data and dialogue support talent management

Figure 1 illustrates the elements on both the 'data' and the 'dialogue' side that form an effective balance and support successful talent management.

The key to success in the data/dialogue balance is business engagement. In our experience, the business will always engage when presented with the 'killer facts' around talent.

For instance, in a recent client situation, we used data to show that, due to the career plans of current staff and the mobility of other suitably qualified and skilled staff, one region of the country would have no skilled leaders to fill senior posts in two years' time. This was important enough for senior leaders to immediately engage with HR to devise a solution.

1. **Align talent data to business plans**

2. **Create core set of business decision data**

3. **Discuss talent as part of senior level planning**

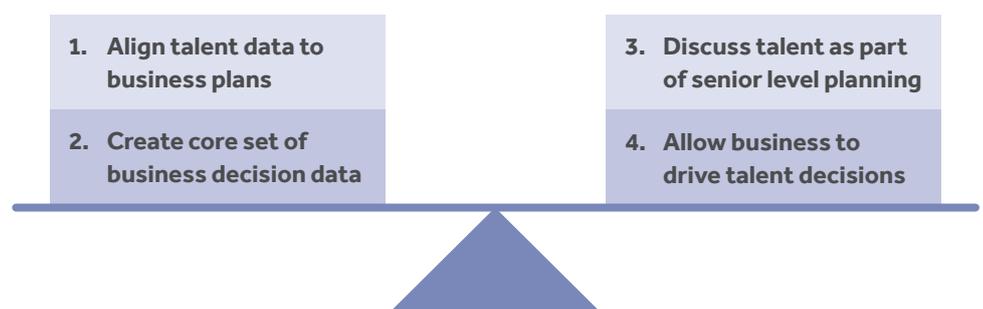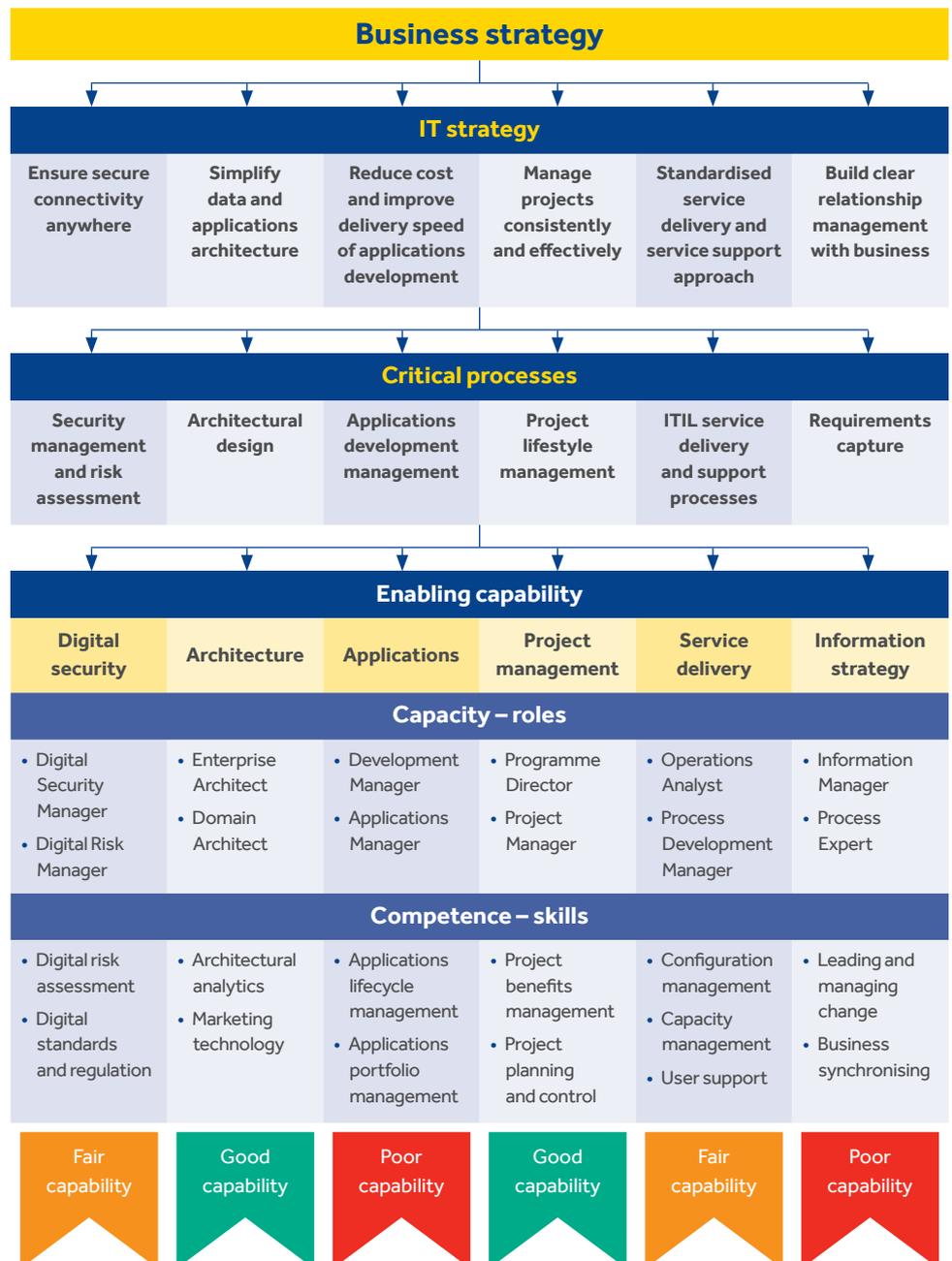4. **Allow business to drive talent decisions**

Figure 1: The data/dialogue balance

Step 1: Align and map talent data to the roles and skills necessary for the business plan

The first step in achieving business engagement is to relate talent issues to the execution of business plans. We find a really helpful tool in doing this is the strategy map (Kaplan & Norton, 2004), which we use to link the business strategy to the key talent (capability) areas (such as project management) and the roles within these areas (eg project manager, programme manager, head of project office).

Figure 2 shows an example of a strategy map for a global IT function. In the example, the IT strategy (to support the ultimate business strategy) relied heavily on the delivery of five major IT programmes, so project management was identified as a major area for talent development. A projects 'centre of expertise' was set up to provide training in consistent project delivery as well as Project Management Institute accreditation. A succession plan for senior project management posts was also put in place.

Business strategy					
IT strategy					
Ensure secure connectivity anywhere	Simplify data and applications architecture	Reduce cost and improve delivery speed of applications development	Manage projects consistently and effectively	Standardised service delivery and service support approach	Build clear relationship management with business
Critical processes					
Security management and risk assessment	Architectural design	Applications development management	Project lifestyle management	ITIL service delivery and support processes	Requirements capture
Enabling capability					
Digital security	Architecture	Applications	Project management	Service delivery	Information strategy
Capacity – roles					
• Digital Security Manager • Digital Risk Manager	• Enterprise Architect • Domain Architect	• Development Manager • Applications Manager	• Programme Director • Project Manager	• Operations Analyst • Process Development Manager	• Information Manager • Process Expert
Competence – skills					
• Digital risk assessment • Digital standards and regulation	• Architectural analytics • Marketing technology	• Applications lifecycle management • Applications portfolio management	• Project benefits management • Project planning and control	• Configuration management • Capacity management • User support	• Leading and managing change • Business synchronising
Fair capability	Good capability	Poor capability	Good capability	Fair capability	Poor capability

Adapted from Strategy Map – Kaplan & Norton 2004

Figure 2: Mapping business strategy to capability (roles and skills)

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Step 2: Create a core set of data around supply and demand of talent

The second key to success is to ensure that talent data supports a business-led and HR-facilitated discussion around both the supply and demand of talent. Most businesses can get a view of the capability of their current staff but find it difficult to identify what the key roles are in terms of organisational jobs, geographical spread and future importance to the business.

The data for each organisation will be different but the key questions on the demand side are:

- What are the key roles and skills for the current and future operation of this business (not just for the leadership)?

- When will new staff be needed in these roles (due to retirement, growth plans etc) and where (geographically and organisationally) will they be needed?

The key questions on the supply side are:

- What is the depth of talented individuals (in terms of their current performance and future potential) that might fulfil these roles in the next one, two and five years (so we have a talent pipeline)?

- What factors (eg mobility, geographical spread, retention issues) will affect this supply?

Figure 3 shows the supply-side and demand-side data presented for senior management posts in a large governmental department.

Supply data: performance and potential and employee desire for progression
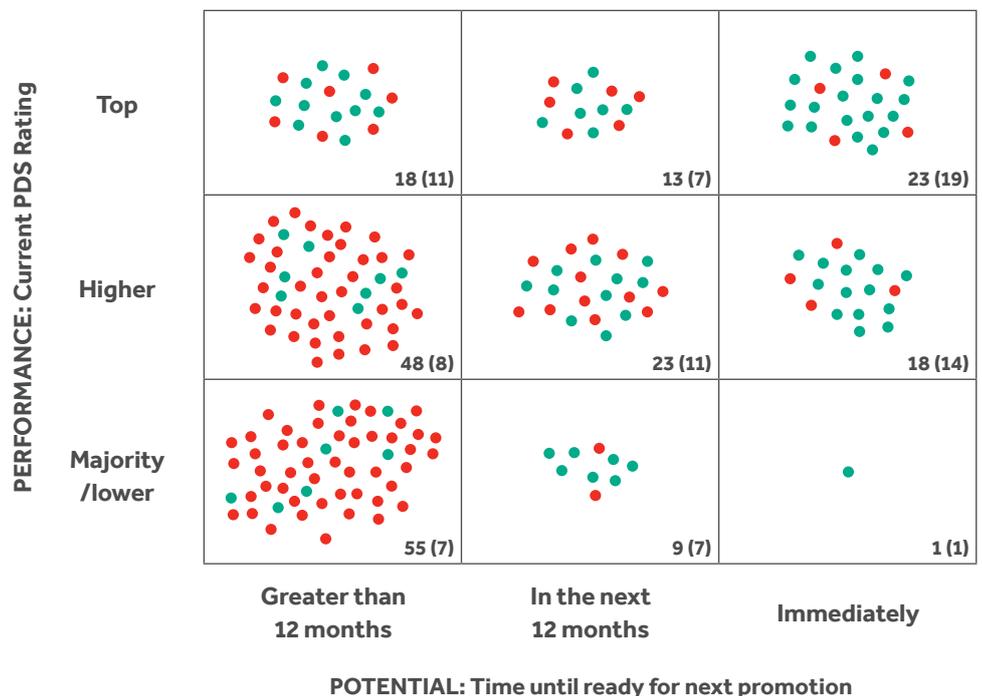
- **Strong desire for career progression in the next 12 months (indicated by number in brackets)**

- **No strong desire for career progression in the next 12 months**

Figure 3: Supply and demand data presented for senior management posts in a large governmental department

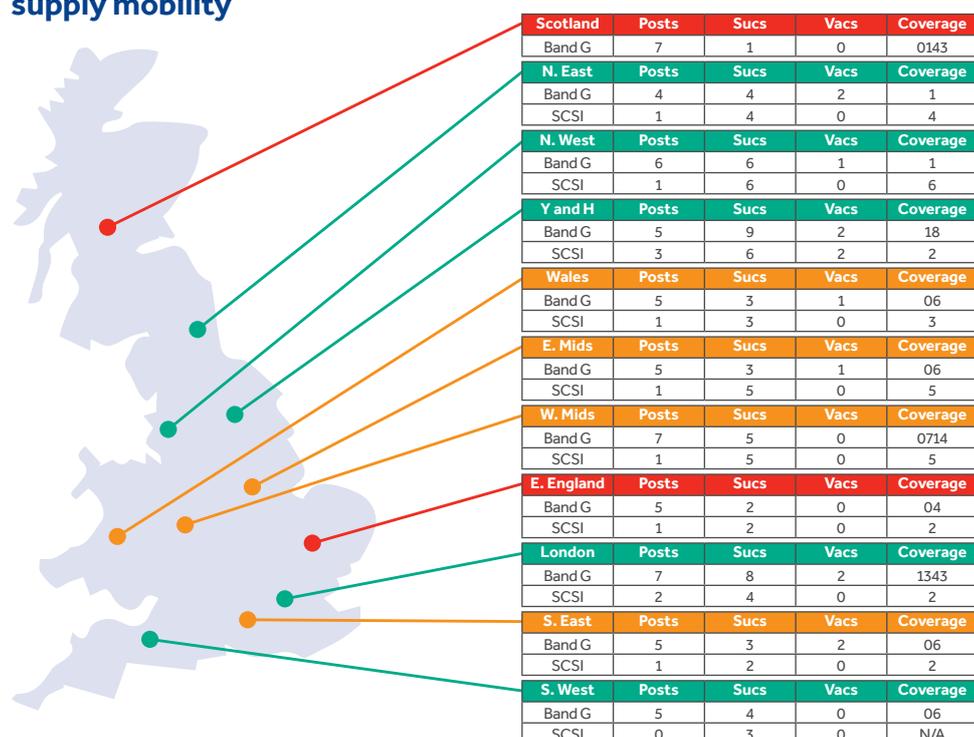## Demand data: geographical demand for key talent related to supply mobility

Scotland	Posts	Sucs	Vacs	Coverage
Band G	7	1	0	0143
N. East	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	4	4	2	1
SCSI	1	4	0	4
N. West	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	6	6	1	1
SCSI	1	6	0	6
Y and H	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	5	9	2	18
SCSI	3	6	2	2
Wales	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	5	3	1	06
SCSI	1	3	0	3
E. Mids	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	5	3	1	06
SCSI	1	5	0	5
W. Mids	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	7	5	0	0714
SCSI	1	5	0	5
E. England	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	5	2	0	04
SCSI	1	2	0	2
London	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	7	8	2	1343
SCSI	2	4	0	2
S. East	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	5	3	2	06
SCSI	1	2	0	2
S. West	**Posts**	**Sucs**	**Vacs**	**Coverage**
Band G	5	4	0	06
SCSI	0	3	0	N/A

Figure 3 (continued): Supply and demand data presented for senior management posts in a large governmental department

Step 3: Discuss talent from the most senior levels of the organisation down

Once armed with talent data that is genuinely linked to business decision-making it is important the links do not stop there.

Talent decision-making needs to be linked to business planning processes and start at the most senior levels in an organisation.

Getting on the business agenda will mean drawing from the 'killer facts' in your talent data analysis. For instance, in the global IT organisation mentioned earlier, it was demonstrated that over 50 per cent of the project management roles (critical to business delivery) were held by contractors who could leave with a month's notice.

It is important to identify a senior sponsor who will lead the talent-related discussions at board and senior management level planning meetings. This is important because talent issues often cut across the whole organisation and cannot be effectively managed by those who only represent a part of the business.

There are then two parts to the senior-level talent-planning discussions:

- **Setting talent-management principles and objectives**

  The initial discussions at a senior level need to identify central talent principles and policy (such as transparency of opportunity or governance between business and HR); what talent will be managed (typically only critical roles and scarce skills for delivery of business plans); and how progress will be monitored.

- **Regular talent-planning progress meetings**

  These need to be chaired by the senior business sponsor, have senior cross-business representation and be facilitated by HR. If they are to be effective, they need to happen regularly (eg quarterly) and involve a consistent dashboard of up-to-date talent information from across the business.

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Step 4: Allow business managers to drive decisions – with HR as the facilitator

Business managers must avoid pushing the 'soft and fluffy stuff' on to HR; while, at the same time, HR should not feel the need to drive talent decisions. Success happens when the business pushes HR for more insightful data as well as support to drive and embed decisions made in the talent planning progress meetings. The role of HR is to ensure the data supports well-informed talent decisions, which are then implemented effectively using the expertise of skilled HR practitioners. This creates ownership in the business but doesn't, as some HR managers might worry, involve a loss of authority for HR because they are then consistently invited to the top table for advice and guidance.

How do you execute this step effectively?

- Define a talent strategy – based on the objectives set by the business (this will ensure you maintain consistency and clear logic in the business-driven decisions).

- Devolve local talent-management decisions to local management groups – with facilitation from HR.

- Educate managers and HR (at all levels) in how the process works.

Getting it right

Talent management works when it is business led and facilitated by HR.
The way to achieve this is to have a set of up-to-date and business relevant talent data, which informs decision-making in business planning forums that involve HR as talent-management process facilitators and advisers.

References

- Kaplan, R S and Norton, D P (2004) Measuring the strategic readiness of intangible assets. Harvard Business Review, 82 (2), 52–63

About the author

Paul has over 25 years of international experience in leading consultancies. His client experience spans all market sectors, including clients such as Network Rail, DHL, Bank of England, HM Treasury, BAE Systems, Swiss Re and Siemens.

Paul is a founder of the European Organisational Design Forum (EODF), connecting leading organisational design and development practitioners across Europe and the US, and speaks regularly at HR and business conferences. His key areas of expertise are strategic workforce planning, talent/resource management, organisational design, change management and leadership and management development.

He is also a Senior Partner at Korn Ferry Management Consultants, based in London.

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