



Uncovering Hidden Talent

It is perhaps a blinding statement of the obvious, but while managers and employees can and do disagree on many things, they often share the same unsatisfied and bewildered opinion when it comes to the ineffectiveness they see in the performance management processes used by most organizations. They don't like it because they think it is forced, contrived and subjective. They don't like it because they believe it is too time consuming, too bureaucratic and too superficial. They don't like it because they fail to see how it serves to improve performance or accelerate development, either their own or that of the organization for which they work.

The talent management and feedback process has become degraded and denigrated because it simply does not do the job, and it is usually executed with only half-hearted effort, lukewarm enthusiasm and rampant abuse. Reflect for a moment on where you spend the majority of your private thinking time and what occupies the intimate conversations you have with those closest to you. Is it conversations about your current or past job performance, or is it about your future hopes and aspirations? Is it about last quarter's objectives and targets that were set for you by your boss, or is it about your professional dreams, your personal desires and how you might find the perfect job outside of the cramped confines of your current role? I think we all know the answer.

Putting so much organizational time, effort and emotion into administering, and then policing, a performance management process that is, at its best, mediocre in content and retrospective in nature, makes no sense. It is an outdated concept in a world where the conditions necessary for performance success are changing daily. Performance management is only valuable, to either party, when it is balanced by an equal or greater emphasis on what really matters. What really matters is identifying, managing and releasing the future potential of people.

To put a not so subtle point on things, most organizations are simply being negligent when it comes to the responsibility they have to capitalize on the future potential and hidden talents of their people. Performance matters, and that's not up for debate. The real problem lies with the fact there is an even more important conversation to be had, and it receives far too little emphasis. It is about the process of managing, measuring and maximizing human potential, which, if done well, provides returns that are essentially infinite and will have a long-term positive impact on organizations that embrace the thinking and apply the disciplines.

The key to future success and economic value creation today, and into the future, has more to do with the originality, design, delivery and functionality of the customer experience we provide. In this world, Canada's competitive ability depends on the quality of our ideas, not the size of our balance sheet or the mineral wealth hidden in rock formations beneath our fields and oceans. The original ideas, novel products and inspiring services we need will all come from the minds and imaginations of our people. The pendulum swung, long ago, away from bricks, mortar and machines as the fundamental contributors to economic success and wealth creation. It has shifted to the differences we can make through our people, the way they are educated, trained, managed, incented and deployed.

Reflect for a moment on how much money organizations, of all sizes, are spending each year on recruiting external talent through head-hunters and/or employment agencies. Think about it. The very same organizations who have done such a poor job of identifying, developing and managing their own talent base, in a failed attempt to ensure access to a steady stream of qualified human capital, go outside and pay good money to identify able bodied outsiders. To make matters worse, those outsiders then get added into the same talent pool we know, by experience, is not being properly developed or managed in the first place, and so the cycle repeats itself, ad infinitum. It's lunacy!

Talent matters more now than it ever has before. Talent identification and management can and must be improved. The future potential of a talent base is harder to determine and judge than past performance. Past performance is not an accurate predictor of future ability or future performance. The traditional economic return on investment formula has shifted, and it will continue to do so, because the terms of competitive reference around the world have changed dramatically. As a result, the much more relevant metric should be the return on human capital, and we have hardly even begun to understand what that would look like.

The fact of the matter is, the future competitive success of any organization will have more to do with the ability to identify, manage and release the latent, hidden potential that resides within its people than it will in managing current performance or reducing costs. We simply need to wake up to the fact the entire equation has changed and adjust accordingly.