



Talent Management Reinvented

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Many middle market business owners are stuck in an exhausting reality of wanting a strong bench of talent but not being able to build one. Leaders exert a tremendous amount of thought and energy trying to build a workforce of productive employees with a “can-do” attitude. But despite their best efforts, such a workforce seems an elusive dream. The bad news is that many business owners are burdened by a constant onslaught of people problems that seem unresponsive to normal fixes. The good news is that this painful cycle can be turned around by challenging old assumptions to clear the way for new thinking.

Hang Up Your Old Assumptions: The root cause for wanting a strong bench but failing to build one is simple: Business owners are detached from their talent management process. The detachment is subtle and thus hard for leaders to see, but results are profoundly detrimental. Detachment starts with the opinion that talent management is an expense and a cost, a necessary evil. Such an opinion sets in motion a series of decisions that contribute to a broken system and lead to perpetual disappointment; such as neglecting to budget for talent management, relegating (versus delegating) talent management to the Human Resources, borrowing incompatible tools and processes that are unrelated to a philosophy; throwing some money at the problem with a wait-and-see attitude. This is a broken, demoralizing, and wasteful system. Everyone and everything suffers.



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A Good Idea Gone Awry: In the early 1980s, Jack Welch popularized the concept of talent management at General Electric (GE). With a stringent philosophy and a cut-throat, metrics-driven appraisal process, leaders force-ranked their direct-line employees and cut the bottom 10 percent from the company. For top performers, if you weren't moving up every two years, you were falling behind. No doubt, this has worked for this highly touted legacy corporation. However, this talent management strategy did not translate well to the middle market. Only unconnected piece-parts from that system found their way to the middle market, which were applied out of context and with little understanding resulting in failed attempts. Today business owners are frustrated that these tools keep coming up short.

The Lesson Learned: In retrospect, it is evident that we took the wrong lesson from GE. We tried to short cut the process by saying, "Well if it worked for GE, it will work for my company." We took piece and parts out of context from GE's talent management story, and hoped for the best. With 20/20 vision, we now realize the essential lesson to learn is that each leader must evolve their own unique philosophy from which a unique set of unequivocal expectations are born, and ultimately executed with necessary passion and conviction.

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1. **Evolve a talent management philosophy:** The life cycle of a business goes hand in hand with the life cycle of your workforce. For one business owner, this meant taking the time to translate his belief that his employees are part of a living and breathing system, a community of people there to join him on a mission. This philosophy reflected his core belief. A vision based core beliefs draws people in. Each leader must evolve their own philosophy that sets a unique course for unequivocal expectations.
2. **Establish unequivocal expectations:** When you're the business owner, the performance of your employees is a reflection of your leadership. Strategic talent management makes unequivocal expectations possible. One leader decided to proclaim an expectation for his company's talent acquisition process: "No casualties. Everyone who touches our company will feel good about our company." To his surprise, his team added: "Our talent acquisition process is first a marketing effort and second an HR effort." Unequivocal expectations make standards of performance unequivocally clear.
3. **Execute with conviction:** A sound philosophy and unequivocal expectations protects against compromising on expectations of excellence. Rather than giving up when expectations are not met, the leader and the team work to refine, tweak or reinvent the processes that support the philosophy. Building bench strength requires a capital investment...just like upgrading to a new plant or installing a new ERP system. Successful execution is the funny combination of conviction of expectations and flexibility to refine the processes as it unfolds.

Building a strategic talent management platform ensures that talent keeps pace with the growth cycles of the business. It is not complicated, but it does require sweat equity—the business owner's sweat equity to be specific. Business owners must invest in their own philosophy and fully commit to strategic talent management.

ABOUT THE AUTHOR

"When you start a conversation with Stacy, prepare to be engaged."

Dr. Stacy Feiner is a business psychologist & coach. Stacy's distinctive coaching method brings psychology and the responsibilities of leadership to the forefront of business, so owners get the results they want faster. Her approach improves complex dynamics within owner-operated companies, family businesses, management teams, and boards. Stacy's latest book is *Talent Mindset: The Business Owner's Guide to Building Bench Strength*.