



Don't pigeonhole the potential of 360-degree feedback

part of our We think... series

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Ian Lee-Emery, Managing Director, outlines how the value of 360 goes well beyond that of a tool to inform development.

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How does your organisation fill its key positions? Does it recruit externally, take applications from within or is there a formal process in place to ensure a continuous pool of talent is available? A key strategic need in organisations is to have the right people in the right place at the right time. Whether you call this talent management or succession planning, the point is that you must understand what skills your organisation needs to succeed and what constitutes 'potential'.

Creating and managing talent pools is actually quite a straightforward process. It's not practical to line up successors for every role, so the first step is to determine which positions in your organisation are 'critical'. Then, analyse the requisite knowledge, skills, behaviours, experience and competencies that are necessary for success in these roles.

The next, more difficult, step is to determine the early 'indicators' of potential for success in these roles. What could individuals reasonably demonstrate at an early stage in their career that would indicate their potential for the target position? If you can identify this, you then simply need to find a way of assessing who is currently demonstrating this 'potential' behaviour.

Having identified individuals who have shown potential, you can then assign them to specific talent pools. A gap analysis will then need to be undertaken to determine what skills they currently have and what their development priorities are. Individual learning plans can then be introduced to enable the individuals to develop the skills, knowledge, competencies and experiences necessary for the target positions. This often involves exposing people to the right opportunities, lateral moves, mentoring, knowledge-sharing, peer-learning, formal training, professional qualifications or a period of study and coaching. The final step is to monitor their performance, development and progress.

Two challenges

It all sounds simple when you lay it out like this. However, there are two key challenges.

The first is identifying who has the potential.

To do this, you clearly need to know exactly what you're looking for. Few organisations have a consistent understanding of what potential is, across the different business areas, functions and specialities. Robust, valid research into what 'potential for higher roles' looks like at an early stage of an individual's career within your organisation is necessary. You need a common language and a clear, evidence-based understanding of what 'potential' really means in your organisation.

The second is to find a way of assessing people effectively.

To start with, you'll need to bring the 'indicators' to life by translating them into behaviours that can be measured. Can you describe exactly what someone might do, say, think or demonstrate if they possessed each indicator? Once you know what you're looking for, the next step is to use the right assessment process to measure it.

Performance management, assessment centres and 360-degree feedback are the most commonly used methods for identifying those with potential. The problem though is that, in most organisations, these processes are focused on performance against deliverables in the individual's current role. In other words, they look backwards at past performance, not forwards at future potential.

Flexibility of 360

360-degree feedback is typically used to support development, often by identifying training needs. However, increasingly organisations are realising that, with careful management, positioning and communication, it can be used effectively in higher-stakes applications, such as talent management and succession planning.

360 has several advantages over performance management and assessment centres, although each has its place. Firstly, it provides an holistic view of an individual, from a range of different sources (unlike traditional performance management which only considers feedback from a line manager). As such, it offers a fairer, perhaps more accurate, assessment as it draws on performance data over a period of time (unlike an assessment centre which offers a 'snapshot' of a person and their performance on a single day). It can also be administered to large numbers of people reasonably cost-effectively.

However, the principal advantage of 360-degree feedback is that it can be easily tailored to assess those aspects of performance which tend to indicate future managerial success. In other words, it can focus on outputs against job objectives, or the hard skills and competencies required such as strategic thinking or problem solving. However, it can also assess the softer skills such as emotional intelligence and aspects such as motivation, drive, values, work preferences and learning capacity. These factors form an integral part of a person's ability to realise their potential, so - when making important decisions about future capacity - organisations need to take them into consideration.

The upshot here is that 360-degree feedback has a much broader role to play than simply supporting development. Yes, it can assess employees in terms of their key strengths and their development needs but it can also assess their degree of readiness for promotion. As such, it can be used to support training needs analyses, career goals, development strategies, succession planning, workforce planning, talent management and human capital risk management.

So, don't pigeonhole the potential of 360-degree feedback. Managed carefully, it can provide you with extremely valuable assessment data, particularly if you're looking to fill key positions. After all, if you're thinking of promoting someone into a more senior management role, wouldn't you want to know exactly what impact they have on those they currently manage? When your workforce spans four generations, a one-size-fits-all approach to talent management is never going to cut the mustard, particularly if your model is based on the false assumption that talented employees want a long-term career in your organisation. Instead, a smarter and more targeted approach to talent management is required.

The scarcity of talent is forcing many HR teams to reconsider how they attract, engage and retain individuals with the skills they need. The balance of power has shifted towards those who possess valuable skills and away from those who need them. Consequently, talented employees are now adopting shorter-term, more transactional relationships with their employer.

Research by Henley Business School suggests that the way forward is to shift your mindset from thinking of employees as servants of your organisation, to thinking of talent as consumers. The research claims that consumer marketing approaches are now being introduced into talent management.

Your employees are consumers of the career you offer – keeping them engaged will keep them loyal. So you should aim to understand and satisfy their needs in the same way that your organisation attempts to meet the needs of customers. One thing is certain: your marketing colleagues don't think of your customers as one homogenous group. They'll gather data about consumer behaviour, they'll segment the audience, develop an enticing proposition and they'll target specific products and offers to defined customer groups.

This is an effective model for talent management. So here are five techniques that you can apply to your talent:



Identify your 'audiences'.

Pinpoint who your talented employees are and keep a record of their skills and competencies. Engage with them as early as possible in their careers. Aim to build your talent pool.

Uncover their needs.

Find out what individuals want and what drives how they think about their careers. Talk to them about their career aspirations and their motivations. What will keep them engaged? For example, is it wellbeing, recognition, involvement, autonomy, collaboration or finding meaning in their work? Good management is balancing what the organisation needs with what the individual has and what the individual wants.

Try to give them what they want.

Different employees will be engaged by different things, depending on their expectations, working preferences, development needs and the relationship they want to have with you. So, your policies and benefits will need to be flexible. But this doesn't mean you'll need an unmanageable number of engagement options. Like new car packages, they can be bundled for different talent groups.

If you lose them, win them back.

If you can't offer what your talent wants in the short- to medium-term, they're probably going to leave. However, by joining another employer, they'll inevitably gather new experience that could be valuable to your business in the future. So keep the door open for them to come back.

Make good use of analytics.

With talent management, perhaps more so than any other aspect of HR, there is unexploited value in data. Talent systems can help you to understand people's capabilities, how they're performing, their potential and exactly what will engage and motivate them. They also enable you to create 'role profiles' for specific jobs and explore multiple career paths. By making these insights readily accessible, you can give line managers the tools to have better focused and more productive talent conversations.

HR teams should be wary of the 'knowing-doing gap' in talent management. This is where you acknowledge that something needs to be done but you fail to make the necessary changes to bring it about. Those who adopt a marketing-led approach to talent management will hold a significant competitive advantage.



Next steps

If you would like to take a closer look at how you can shape your Talent Management activities to recognise the shift in the behaviours and attitudes of your talented people, then please get in touch.

About Head Light

Head Light is an award-winning talent management software and consulting firm that works with clients to define and implement impactful talent management strategies.

Talent Cloud® is our cloud-based portfolio of integrated talent management software tools designed for those who expect the maximum return from talent management processes. Our training and consulting services uniquely complement our breakthrough software that engages employees, managers and senior leaders in the selection, development and progression of people in their businesses.

Companies in the FTSE 350, public sector, large and small, from retailers to high tech innovators have all benefitted from our tools, techniques and expertise. Founded in 2004, we are headquartered in the UK.

Head Light has attained the ISO27001 standard for Information Security.
Certificate No 217613.





How do I...

transition to Continuous Performance Management

How do I...

introduce robust Succession Planning

How do I...

spot High Potentials and Future Leaders

How do I...

drive Engagement through Career Conversations and Development

How do I...

embed new values and improve culture

How do I...

conduct Skills Assessments and a Gap Analysis

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