



Summary: Building talent for company growth

Conclusion: In order to populate a talent pool of employees who possess high potential to fill key strategic management goals, an organization must infuse its culture with passion and a deep-seated commitment to breed talent.

Reference: **Make Your Company a Talent Factory** by Douglas A. Ready and Jay A. Conger. Harvard Business Review; v.85, number 6; pages 68-77. Email Ashley Hollweg, Ph.D. at ahollweg@batrushollweg.com for a copy.

Why this Article is Important: A 2005 survey of human resource executives from multiple industries revealed that most respondents felt they had an insufficient bench of high-potential employees with the capacity to fill key strategic management roles. This article offers compelling examples from two organizations, HSBC and Procter & Gamble, about how they have gone against the grain to create talent factories. Both organizations used innovative methods to capitalize on their existing talent that enable them to promote from within to feed their pipeline of talent at the next level of management. Ready and Conger identify the methods used by HSBC and P&G to win the war on talent by implementing functionality and vitality to retain and develop internal talent.

Major Findings: Companies that are well-poised for the future merge “functionality” (well-defined talent processes that support the company culture and strategy) with “vitality” (emotional commitment by management that is embedded in daily activities). P&G, for example, implemented centrally designed human resource practices and policies that have the flexibility to accommodate the resources and requirements unique to the culture of their global markets. HSBC focused on winning emerging new markets in the global arena by encouraging local hires as growth prospects for the firm. By hiring nationals, HSBC is equipped to create a diverse pool of leadership talent for the entire organization.

What does it mean to you?

- a. The secret weapon to securing internal talent is to focus your talent management processes on a specific strategic outcome and to embed passion for development in the organizational culture.
- b. The vitality of an organization is a product of commitment, engagement, and accountability.
- c. Ultimately, talent management is not just a leadership responsibility, it is a core business practice.
- d. While the up-front costs of creating HR processes and aggressive development initiatives may be daunting for some, the cost of *not* building a talent factory can significantly impede organizational growth and success.