

# SCRIPT – BEST PRACTICES IN TALENT MANAGEMENT AND SUCCESSION PLANNING

## Cover Page – Slide 1

I welcome you all to this exciting session on Best Practices in Talent Management and Succession Planning.

Come along with me.

## Learning Outcomes – Slide 2

At the end of this session, it is my belief that we would have achieved the following Learning Outcomes:

- a. Discuss Global Trends in Talent Management.
- b. Examine the Global Best Practices in Succession Planning, and,
- c. Explain the impact of the talent management case study of the Nigeria Breweries on talent recruitment.

## Introduction - Slide 3

According to Byrne Mulroney, in an article titled Global Talent Trends for 2020, he discovered that ***“The workforce is rapidly evolving. In the coming year we will see an even greater focus on transparency, agility, culture and purpose-driven leadership,”*** He also said that, ***“Employers are also becoming more flexible in how they embrace technology, attract and reward employees, and create ongoing transformation at all levels of the organization.”***



## Global Trends on Talent Management - Slide 3

**Talent management is now witnessing a new approach in how talents are attracted, recruited, and retained.**

Talent management is now looked upon as a critical HR activity; the discipline is evolving every day. Let's analyze some of the trends:

- **Talent War:** Finding and retaining the best talent is the most difficult aspect of HR management. HR survey consultancies are one in their view that organizations globally are facing a dearth of talented employees and it's often more difficult to retain them. Further research has also shown that there is clear link between talent issues and overall productivity.
- **Technology and Talent Management:** Technology is increasingly getting introduced into people development. Online employee portals have become common place in organizations to offer easy access to employees to various benefits and schemes. In addition employees can also manage their careers through these portals and it also helps organizations understand their employees better.
- **Promoting Talent Internally:** An individual is hired, when there is a fit between his abilities or skills and the requirements of the organization. The next step is enabling learning and development of the same so that he/she stays with the organization. This is employee retention. An enabled or empowered means an empowered organization.  
  
It is also of interest to organizations to know their skills inventories and then develop the right individual for succession planning internally.
- **Population Worries Globally:** World populations are either young or aging. For example, stats have it that by 2050 60% of Europe's working population will be over 60! On the other hand a country like India can boast of a young population in the coming and present times. Population demographics are thus a disturbing factor for people managers. Still more researches have predicted that demographic changes in United States will lead to shortage of 10 million workers in the near future!
- **Talent Management to rescue HR:** HR has been compelled to focus on qualitative aspects equally and even more than quantitative aspects like the head count etc. Through talent management more effort is now being laid on designing and maintaining employee scorecards and employee surveys for ensuring that talent is nurtured and grown perpetually.
- **Increase in Employer of Choice Initiatives:** An organization's perceived value as an employer as helps improve its brand value in the eyes of its consumer. Most importantly it helps it attract the right talent.

## Global Best Practices or Trends on Succession Planning – Slide 4

Development experts have been studying Succession Planning for years and it has been proven, that companies and organization that are getting it right as measured by bottom-line results, seem to follow all if not most of the following 10 best practices below;

1. **The need for speed**-Time is a resource easily wasted. There is a need to find high-potential talent more quickly and to accelerate their development time. The competitive advantage now goes to the organizations that move faster with better results. Most succession management issues are issues of today, not of the future.
2. **The market for the skills**-The market for skills has globally shifted from a seller's market into a buyer's market. There is a common thought that if organizations pay enough then they can always find the people they need to fill a position. In the current climate, some managers assume that workers should regard themselves as lucky to have a job. The view that talent will always be available in abundance is no longer accurate.
3. **The focus on talent pools**- Most succession management processes are focused on listing potential successors for individual positions. The trend now is to look more at the composition and strength of the pools with candidates for clusters of strategic capabilities and related positions. If your pool is strong enough, you know you will be able to find people with the right profile when you need them.
4. **Reduced loyalty among employers and workers**-Back in the day employees aimed at obtaining a long career at one company that they could maintain till retirement. But as organisational conditions have changed employers are no longer making a long-term commitment to their employees. This has caused distrust from employees who now want immediate rewards for good performance performed in the present. Employees can no longer trust their employers to make good on promises of future advancement.
5. **Drive towards transparency**- Succession management in the past was more of a secret process. Only the executive had a total insight (except when it came to their own position). Now more transparency and openness is required and beneficial.
6. **Increased employee involvement**- In the past, the 'subjects' of the succession management process were hardly involved in the process. They were sometimes consulted but most of the time their involvement was limited. Now more and more people are driving their own careers.
7. **Embracing technology**-Technology can ease the work but not remove it. More software than ever is available to support succession planning and management. This is in the form of talent management, talent development, workforce planning, or human capital software. With the help of modern technology and people analytics tools, it will be possible to redesign succession management in such a way that it is more effective and impactful. The software can facilitate decision making on competency identification, values clarification, 360-degree assessment, individual development planning, and identification of developmental resources to help build competencies (and thereby close developmental gaps). It can also help management track individual progress (and thus encourage accountability), inventory available talent, and even measure individuals' progress and the support provided by immediate supervisors.
8. **Considering external candidates**- Many good candidates are part of the network of companies, and not necessarily on the payroll today. It may be necessary to include them in your search and considerations.
9. **Consider individuals, teams and networks**- Most *succession management processes* focus on individuals. Today the networks the individuals have, inside and outside the organisation, are also very important. The goal is to be able to map these networks and attach value to them. Also, it might be worthwhile to sometimes transfer teams and not only individuals. If a team has been successful in introducing a new product in market X, this might be the best team to repeat this in market Y.

10. **CEO succession-** CEO succession has also become a particular concern recently as CEO turnover globally has increased. Most experts predict that the pace and magnitude of change in the world will continue to increase. As that happens, corporate boards are likely to be more demanding—and less forgiving—of CEO performance. And shareholders are more likely to hold corporate boards accountable for managing succession if CEOs do not.

### **The Jack Welch Model – Slide 5**

Jack Welch, the CEO of General Electric (G.E.) stated that he saw his primary job as strengthening the talent pool in GE. In view of that, he saw every conversation, every moment with an employee, every meeting as an opportunity to talk about their talented people in GE.

***Welch believes that developing talents within a business, organization or company is one of the most important tasks for top leadership and someone must be saddled with that responsibility.***

There is no amount of time and resources spent that can be considered too much when it is spent on building talents and managing them for the growth and development of the organization.

The quality of staff in any organization reveals the focus that organization has given to talent management and Succession Planning. Edward Lawler said “Quality is one capability that GE has focused on for over a decade; talent management has been a focus for over fifty years.” It is on record that GE’s main reason for setting high standard for Talent Management is for Succession Planning. Talented people are vital to the continuous success of any organization. Talented people are the engine rooms of any thriving organization. The most important thing to a talented person is the tools he or she needs to work followed by training.

It is an established fact that any company that cannot leverage its resources in Talent Management across a broad array of opportunities, may never have a competitive advantage over others.

### **The Nigerian Breweries Case Study on Talent Management – Slide 6**

We would be looking at a Talent Management case study at the Nigeria Breweries, this case study has been sub-divided into four parts namely:

1. What was the Skills Gap Problem at Nigeria Breweries?
2. The Recruitment Exercise for Graduate Trainee Engineers at Nigeria Breweries.
3. How Nigeria Breweries Responded to the outcome of the Recruitment Exercise, and,
4. The Implications to Recruiting and Retaining Talents at Nigeria Breweries.

### **What was the Skills Gap Problem at Nigeria Breweries? – Slide 7**

1. Nigeria Breweries needed twenty trainees to be recruited into the company as Graduate Trainee Engineers.
2. Nigeria Breweries Advertised for the positions.
3. A total of ten thousand candidates responded to the advertised positions.

## **The Recruitment Exercise for Graduate Trainee Engineers at Nigeria Breweries – Slide 8**

1. Nigeria Breweries, thereafter, shortlisted a total of four thousand candidates to take an aptitude test.
2. Consequently, Nigeria Breweries interviewed the top fifty candidates from the aptitude test.
3. Nigeria Breweries, eventually found only one candidate that was suitable for the advertised position of an entry level Trainee Engineer clear candidate suitable

## **How Nigeria Breweries Responded to the outcome of the Recruitment Exercise- Slide 9**

From the recruitment exercise, it was clear that there was a huge talent and skills gap that needed to fill, so Nigeria Breweries then entered into a partnership with a university to develop a six-month training program to bridge the gaps in skills, knowledge and attitude for the top fifty candidates.

Subsequently, at the completion of their six months training, all the trainees performed very well, and the choice on recruiting the best candidates became difficult.

## **The Implications to Recruiting and Retaining Talents at Nigeria Breweries – Slide 10**

So, Nigeria Breweries decided that there was a need for a paradigm shift in their approach to recruiting and retaining talent. That decision to partner with a University helped them to solve the shortage of skilled manpower at the time.

This is a testament to the fact that companies and organizations would need to sometimes invest more in the development of talent, even if it means, that process starts from identifying talents even before they are done with schooling.

## **Conclusion – Slide 11**

Hey, so in the past few minutes, we have been able to look at:

- Global Trends on Talent Management
- Global Trends on Succession Planning, and,
- The Nigerian Breweries Case Study on Talent Management.

Talent Management and Succession Planning succeeds when it has the support of, and part of, the business strategic plan and ultimately becomes part of the culture or mindset of the organisation.

Thank you and Stay Safe. Bye