what's your talent philosophy?

Prof. Dr. Nicky Dries
KU Leuven, Faculty of Business & Economics
& BI Norwegian Business School, Department Leadership/OB
Thursday, March 28th 2019—Amsterdam
HUMANE Spring Seminar: "From human resource management to talent management in 21st century universities"

talent management

"[TM refers to] activities and processes that involve the systematic identification of **key positions** which differentially contribute to the organization's sustainable competitive advantage, the development of a **talent pool of high potential and high performing** incumbents to fill these roles, and the development of a **differentiated human resource architecture** to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization."

(Collings & Mellahi, 2009, p. 305)

talent **philosophy**

"Fundamental **assumptions** and beliefs—held by organizational decision makers—about the **nature**, **value**, and **instrumentality** of talent."

(Meyers & van Woerkom, 2014)

your talent philosophy

(1) do I believe talent is **rare**, or **omnipresent** in the labor market/in our organization's population?

(2) do I believe talent can be **developed**, or that it has to some extent a stable, innate, **dispositional** quality?

(3) do I believe the criterion for talent identification should be **input** (effort, motivation, *wanting* it) or **output** (results, success, *doing* it)?

(4) do I believe that talent is **transferable** (i.e., can be bought on the market), or that it is strongly **context-specific** (i.e., is best detected and developed internally)?

Main implication:
Resource allocation & communication strategy

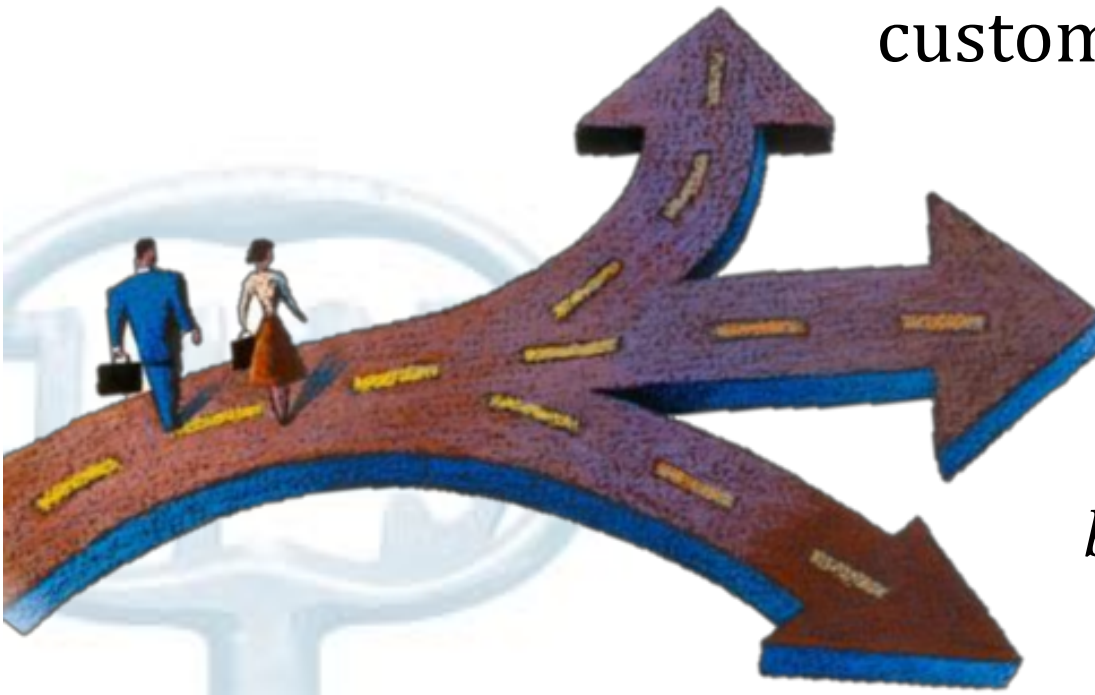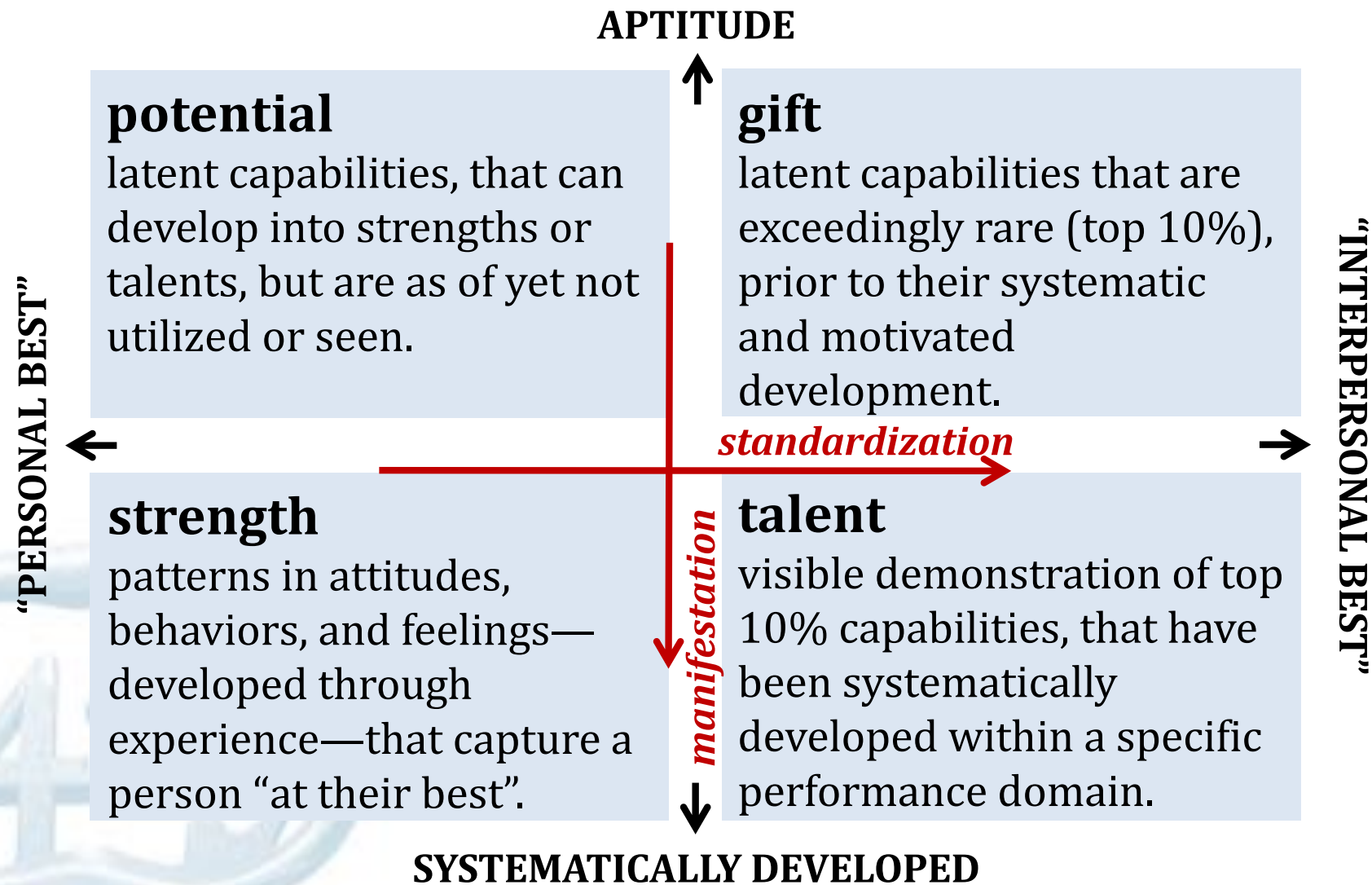**Distinct talent philosophies:**

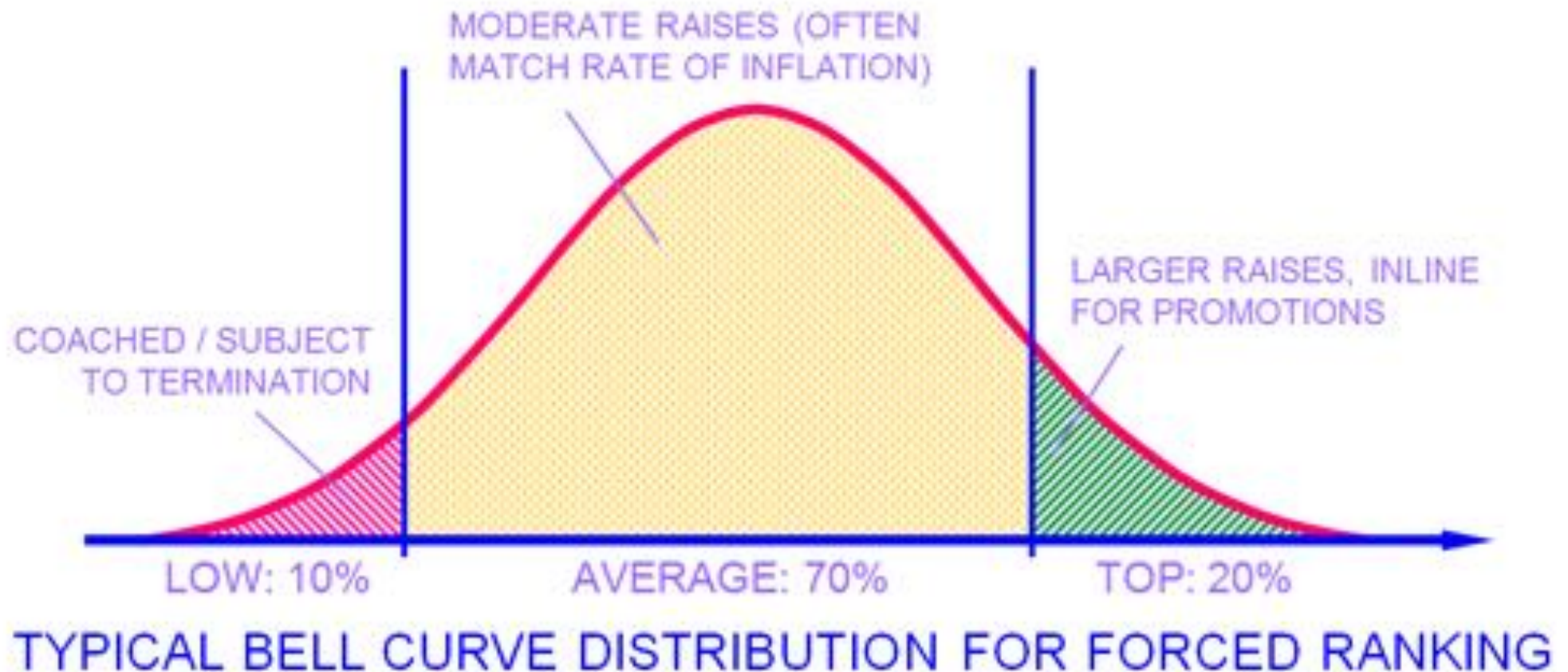**Inclusive** ⬌ **Exclusive**

Career mass customization

Workforce differentiation
Forced ranking (70-20-10)
(often: strategic ambiguity, which surprisingly is preferred by managers & employees alike!)
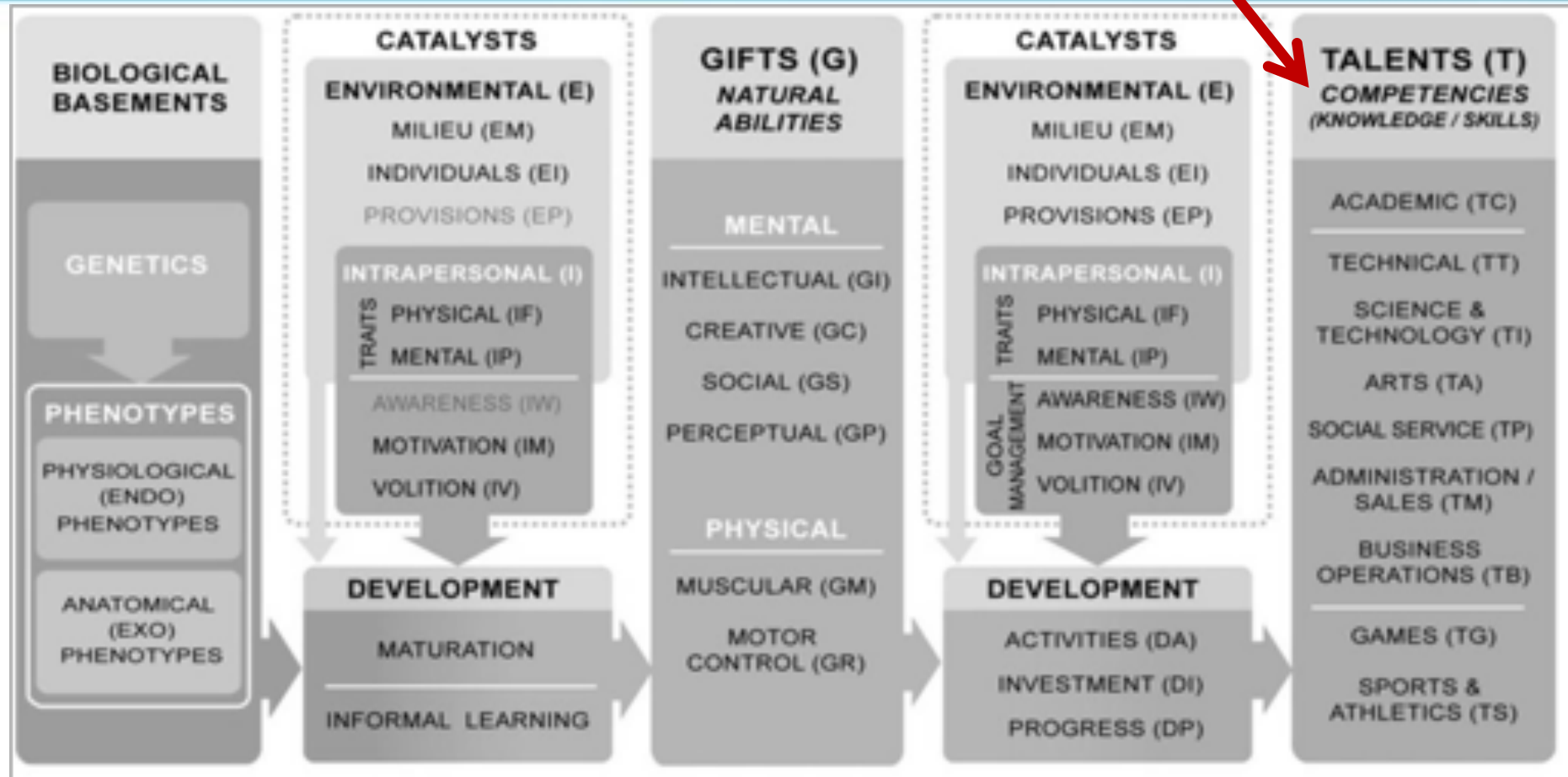
potential, gift, strength, **talent**

APTITUDE

potential
latent capabilities, that can develop into strengths or talents, but are as of yet not utilized or seen.

gift
latent capabilities that are exceedingly rare (top 10%), prior to their systematic and motivated development.

standardization

manifestation

"PERSONAL BEST"

"INTERPERSONAL BEST"

strength
patterns in attitudes, behaviors, and feelings—developed through experience—that capture a person "at their best".

talent
visible demonstration of top 10% capabilities, that have been systematically developed within a specific performance domain.

SYSTEMATICALLY DEVELOPED

(De Boeck, Dries, & Tierens, 2018)

"top x%"

MODERATE RAISES (OFTEN MATCH RATE OF INFLATION)

LARGER RAISES, INLINE FOR PROMOTIONS

COACHED / SUBJECT TO TERMINATION

LOW: 10%   AVERAGE: 70%   TOP: 20%

TYPICAL BELL CURVE DISTRIBUTION FOR FORCED RANKING

(Jack Welch's "Vitality curve", 1980s)

"a specific **performance domain**"...?

Gagné's Expanded Model of Talent Development — EMTD, 2013; Bélanger & Gagné, 2006

Conjunctive concept of talent: top at teaching AND research AND service **(exclusive)**
Disjunctive concept of talent: top at teaching OR research OR service **(inclusive)**

prevalence: musings about our context

- ✓ At KU Leuven: 10% of PhDs become postdocs, of which 10% move on to a tenure track (cf. **pyramidal academic staff structure**);
- ✓ Pyramidal thinking is the basis of everything: having a higher education > having a PhD > postdoc > entering a tenure track > awards/chairs/top publications/élite funding (FWO 20%, ERC 12%) > promotions to associate/full professor > geniuses, Nobel prize winners
- ✓ Are we an exceptional context for talent? In that everyone with a PhD is already among the top x% most highly educated people in the labor market. So is **a forced ranking approach for us** really *"the crème de la crème de la crème"*?
- ✓ **Excellence policies** ↔ public mission of universities, fears of exacerbating inequalities, differentiation/merit systems = sensitive
- ✓ **Rathenau** Institute report: you cannot expect everyone to be excellent—either that drives up the standard *at infinitum*, or excellence loses its meaning.
- ✓ Our research shows that people are **less envious** when TM is more exclusive (top 1%) *(van Zelderen, Dries, & Marescaux, 2019)*
- ✓ **Talent for what?** Research (basic/applied), teaching, (internal/external) service—and what about non-academic positions? ("ATP" sometimes feel like second-class citizens *but* senior positions actually have higher pay grades!)

Main implication:
War for talent/ labor market scarcities

Distinct talent philosophies:

Innate ⟷ **Acquired**

Selection
Detection
Identification

Development
Stimulation
Experiences
Coaching
Teaching

"So, how do you want to play this? Nature, nurture, or a bit of both?"

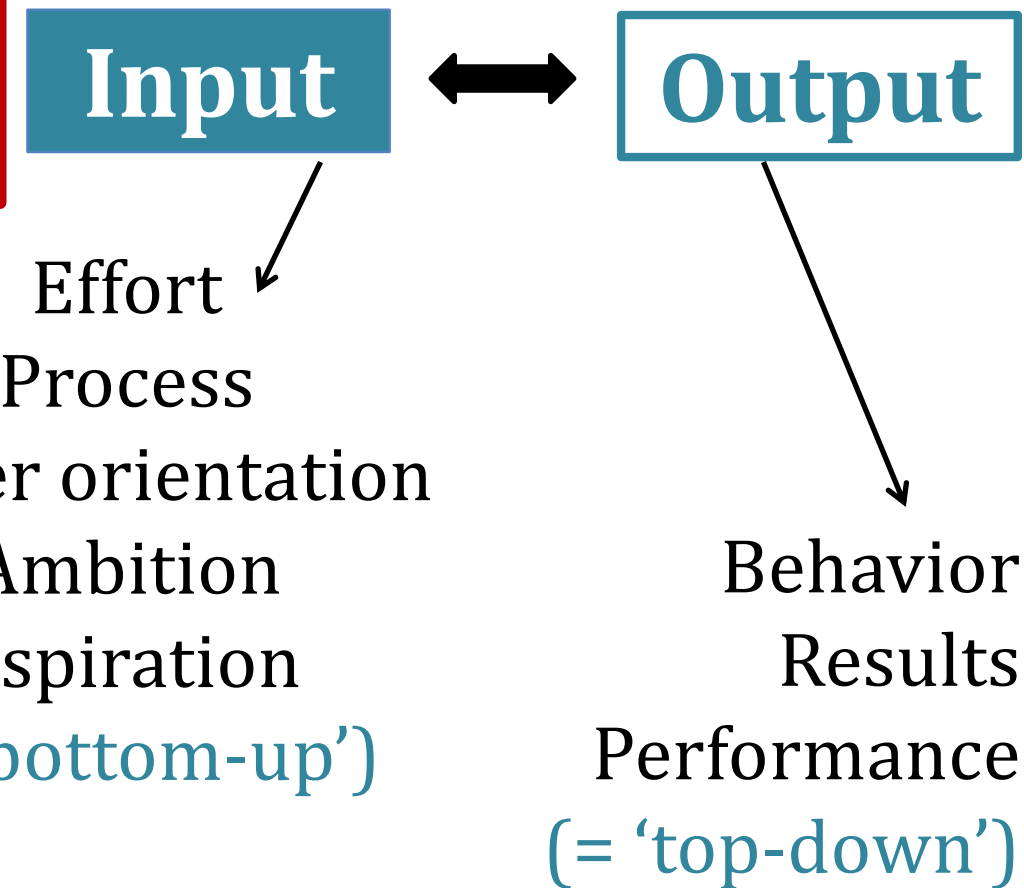# developability: musings about our context

✓ We must be honest: are we really, systematically teaching people the skills they are evaluated on, or do we expect them to be able to **know how to do it naturally**? (is that the earmark of talent? not needing to be taught?)

✓ Typical example: senior professors pressure young professors for 4* publications, but either have none themselves *["it's unfortunate but times have changed since I got my PhD"]*, or are chronically **unavailable or uninterested to teach junior professors skills** *["no one helped me when I was younger"]*. Positive example: my **tenure track coach**, an ERC grantee who is the Dean of one of our largest campuses, was very flattered when I asked him as coach.

✓ Are we a **survival of the fittest** culture? Incentives and grants are highly individualized (rather than team/department-based), and **early** successes or lack thereof create path dependencies, **Matthew** effects, **Pygmalion** effects, and **self-fulfilling prophecies**.

✓ This only works in a luxury scenario where we have *l'embarras du choix*, when there are 100 candidates for every position. Perhaps we should imagine how we *would* develop people in a **scenario of scarcity**. It is also my impression that the **higher up the pyramid**, the less satisfied departments are with the quality of external vs. internal talent (esp. when internal hiring not allowed).

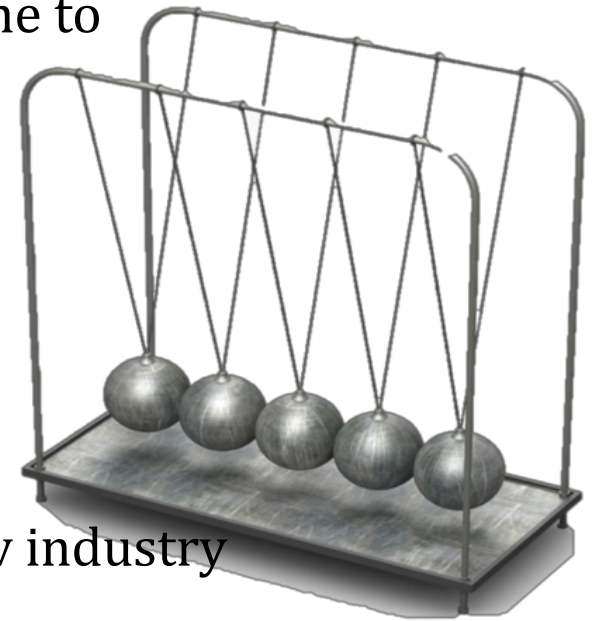# criterion: policy implications

Main implication:
Assessment/ selection focus & ROI indicators

Distinct talent philosophies:

Input ⬌ **Output**

Effort
Process
Career orientation
Ambition
Aspiration
(= 'bottom-up')

Behavior
Results
Performance
(= 'top-down')

✓ Would we rather have someone who's naturally brilliant but not really hard-working (for instance, never does anything for the department) or someone who is dying for an academic career but has no output (yet)?

✓ I actually found it hard to come up with examples of how universities take into account a person's motivation and effort (input) *outside of* **deducing** it from their actual output…?

✓ **What counts as output?** For instance, celebrity professors who are in the media & write pop-science best-sellers but have little time to teach and have never "really" published.

✓ Relates again to the "talent for what" question and the **constantly changing metrics** in academia.

✓ Evolution: focus on societal/public role of academics
>> monograph as dissertation >> publishing (**quantity**)
>> increasing focus on theory >> increasing competition
for funding >> publishing (**quality**) >> in the UK now
(REF): **impact** *outside* of academia >> which spurs a new industry
of impact case writers, etc.

✓ Output criteria are always to some extent **subjective**, i.e. there are many journal and university rankings and we choose the ones we like.

transferability: policy implications

Main implication:
Internal vs. external recruitment
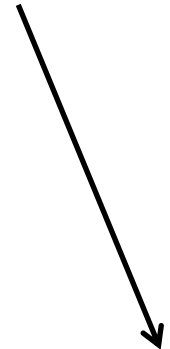
Distinct talent philosophies:

Transferable ⟷ Context-specific

Headhunting
Identification prior to entry

Fit
Identification only *after* socialization period

- ✓ Trend (esp. at business schools) to hire **administrators from the private sector**! (as deans, presidents, rectors, department heads)
- ✓ **Pressures towards external/diverse hiring**, often for the rankings. What if the internal (or same-nationality) candidates are often the best? Should we hire a foreign postdoc for 2 years knowing they need 1 year to adapt, and 1 year to apply for their next job? ☺
- ✓ For many people, the **lack of internal advancement opportunities** is a problem, especially when tied to geographic mobility & house ownership etc. At some schools, best talent is told to leave for lower-ranked local school and re-hired after 2 years from lack of equally good external candidates…
- ✓ Other sectors find it funny that we should prefer the external candidate if two candidates are equally good!
- ✓ **Some grants are transferable**, e.g. Switzerland's strategy of hiring ERC grantees. This is the clearest example of "**buying talent**" in academia.
- ✓ However, many other things (networks, understanding the specifics of local funding and access to resources, inside information…) are **not transferable**.
- ✓ Which aspects of talent are universal, and which interact with the context?

brain **drain** & brain **gain**

GTCI-score Belgium: 69.56/100, **rank order** 16/119 countries
Top 3: Switzerland (79.90), Singapore (78.42), US (75.34)

cf. Singapore's national talent management strategy (see: Yvonne McNulty's case study, 2018); Slovenia working on national strategy (e.g. AmCham YP Program)
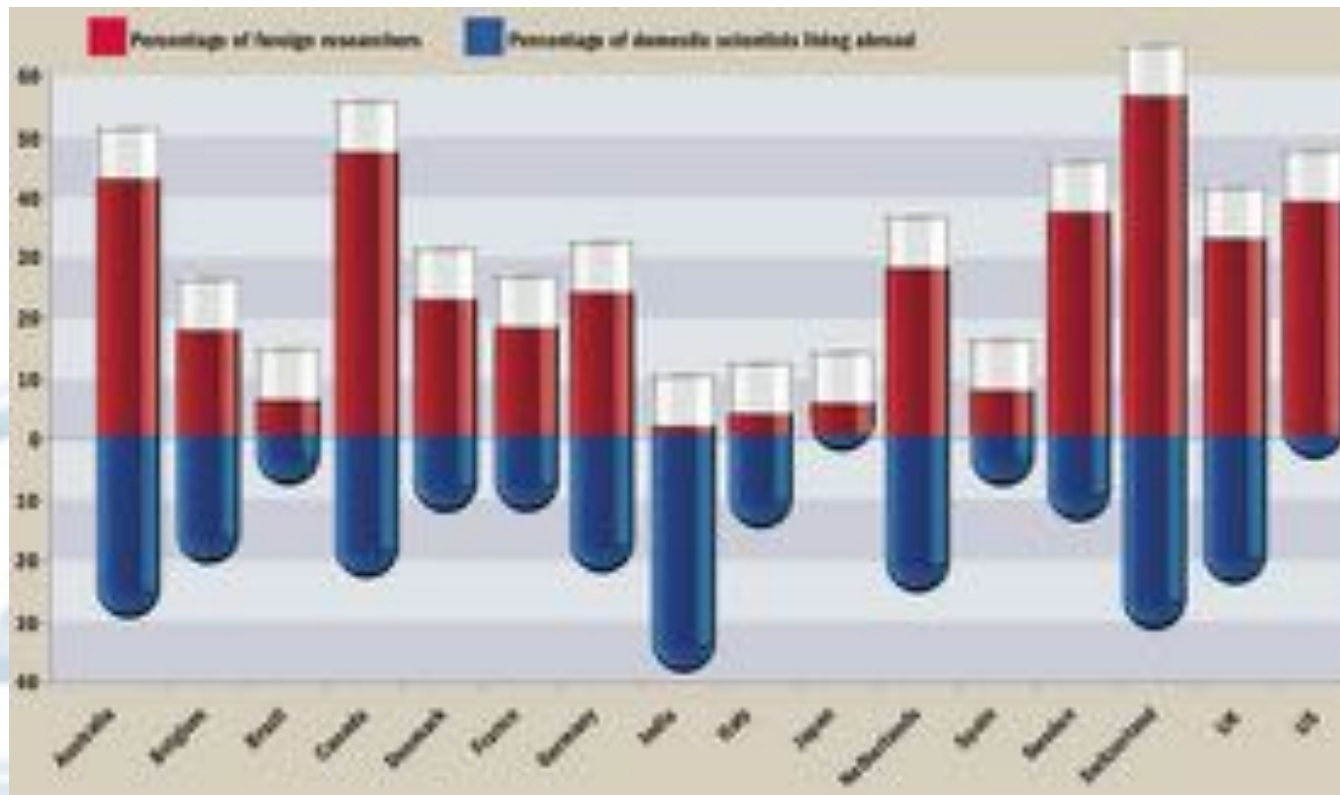
GTCI based on indicators relating to **brain gain/ brain drain** dynamics

("Global Talent Competitiveness Index"—GTCI; INSEAD, 2018)

global talent **index**

BELGIUM

Indicators:

✓ What is Belgium a "talent" (top 10%) at?

"Grow" indicator = higher education! (9/119)

↔ *Could do better:*

Business-government relations (81/119)
New business density (45/119)
Environmental performance (40/119)
Ease of doing business (39/119)
Gender earnings gap (38/119)

(GTCI; INSEAD, 2018)

get in line!

rare >< omnipresent

do I believe talent is **rare**, or **omnipresent** in the labor market/in our organization's population?

0% of our employees are truly talented.
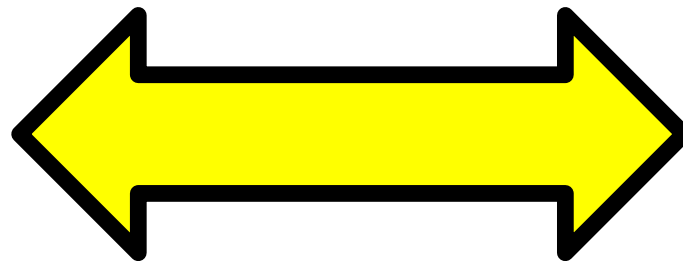
100% of our employees are truly talented.

do I believe talent can be **developed**, or that it has to some extent a stable, innate, **dispositional** quality?

talent is 100% inborn. ⬅➡ **talent is 100% developable.**
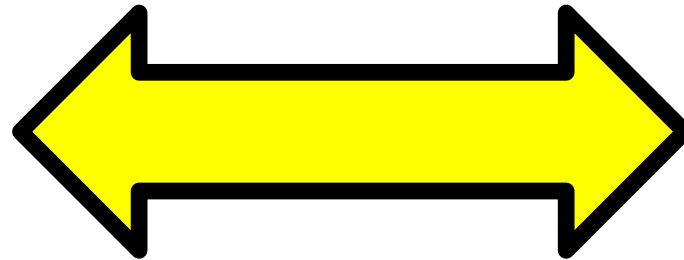
input (effort, motivation) >< output (results, success)

do I believe the criterion for talent identification should be **input** (effort, motivation, wanting it) or **output** (results, success, doing it)?

talent should be identified based on input.
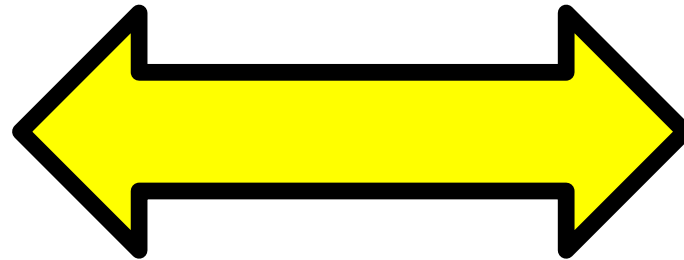
talent should be identified based on output.
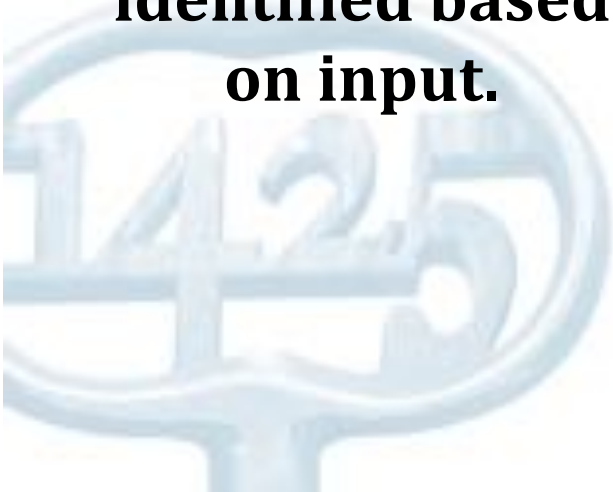
do I believe that talent is **transferable** (i.e., can be bought on the market), or that it is strongly **context-specific** (i.e., is best detected and developed internally)?

talent is talent everywhere; thus, it can be "bought".
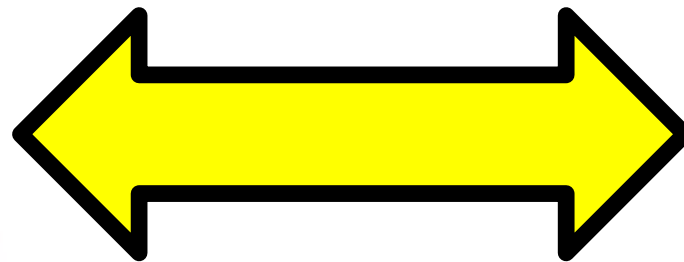
someone can be a top talent elsewhere and not at all here.

e-mail me !

<u>2005-2019</u> publications/slides available upon request— customized speaking/workshops available upon request: **nicky.dries@kuleuven.be +3216373719**

additional slides

contact me:
nicky.dries@kuleuven.be
+3216373719

employee **reactions** to TM
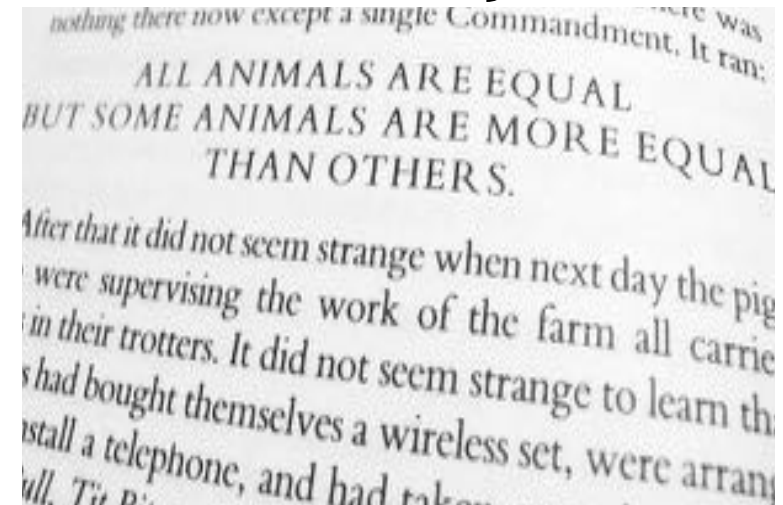
1. At least **some of the basic assumptions are justified**—TM practices & talent status are generally associated with positive affect (i.e., org. commitment, job satisfaction), increased beliefs in KSAs, higher performance, and lower turnover intentions in talents;

2. Some studies find no relationships, research on **boundary conditions** is lacking, and **effect sizes** are only small to medium;

3. No differences based on how TM was measured; but **development**-focused practices & objectives lead to better outcomes than others;

nothing there now except a single Commandment. It ran:

ALL ANIMALS ARE EQUAL
BUT SOME ANIMALS ARE MORE EQUAL
THAN OTHERS.

After that it did not seem strange when next day the pig were supervising the work of the farm all carrie in their trotters. It did not seem strange to learn th s had bought themselves a wireless set, were arran stall a telephone, and had taken out subscriptio ull, Tit-Bits and the Daily Mi hen Na

4. Slightly unexpected: talents *also* score higher on **negative affect** (i.e., stress, insecurity, identity struggles)—positive and negative affect can exist simultaneously but burn-out and a false self cannot be "cancelled out" by commitment, for instance;

5. Potentially undesirable: TM creates **PC imbalances** (employer vs. employee obligations) & increased risk of **breach** (< heightened expectations of talents);

6. No real evidence on negative reactions by **non-talents**; their attitudes are *relatively* less positive but not negative in *absolute* terms.

nothing there now except a single Commandment. It ran:

ALL ANIMALS ARE EQUAL
BUT SOME ANIMALS ARE MORE EQUAL
THAN OTHERS.

After that it did not seem strange when next day the pig were supervising the work of the farm all carrie in their trotters. It did not seem strange to learn th had bought themselves a wireless set, were arran stall a telephone, and had take

Proposed boundary conditions **(i.e., context factors)**:

At the organizational level:

TM procedural fairness;

TM transparency vs. secrecy & ambiguity;

LMX—i.e., relationship between leader and team *(King, 2015)*

At the individual level:

(HR) attributions—TM seen as control vs. motivational tool?

Equity sensitivity *("if one is unconcerned with inequalities...")*

Career orientation *("if one doesn't want an upward career...")*

Limitations of the existing evidence:

1. Causality > intervention studies, longitudinal, experimental;

2. Fragmentation > TM measured differently across studies;

3. Measurement level > multi-organization studies (cf. context)

We urgently need more research on organizational context/boundary conditions, but, two general truths:

1. Observable, **short-term** behavioral reactions in talents (e.g., higher performance, lower quit intentions) can be observably positive, but under the surface negative emotions and cognitions can be brewing that cause **long-term** negative effects or (perceived) "sudden" PC breach → **burn-out prevention** + **expectation management**;

2. Secrecy is potentially detrimental to employee reactions that would otherwise be "better" → ambiguity or **transparency**.

additional slides

contact me:
nicky.dries@kuleuven.be
+3216373719

Three major indicators of untapped potential:

1. Lack of **engagement** with work;
2. **Performance** (far) below one's capacities (**underemployment**);
3. Detachment of personal **identity** from work *("this is not me")*.

→ Look for **variance** <u>within</u> a person's engagement/performance, rather than the average!

  ✓ When was it '**better**'? (e.g. which project, which team, which job content, which time/stage, which supervisor?)
  ✓ Variance on a short-term basis, i.e. *between* **appraisals**!
  ✓ Variance within a person based on **rating source**…?
  ✓ Multilevel analyses—could it be **the supervisor/team**?
  ✓ A case of understretching (**boreout**)…?

→ Look for **passions** outside the workplace, and whether they can be integrated (**job crafting**); see '**talent transfer**' in sports!
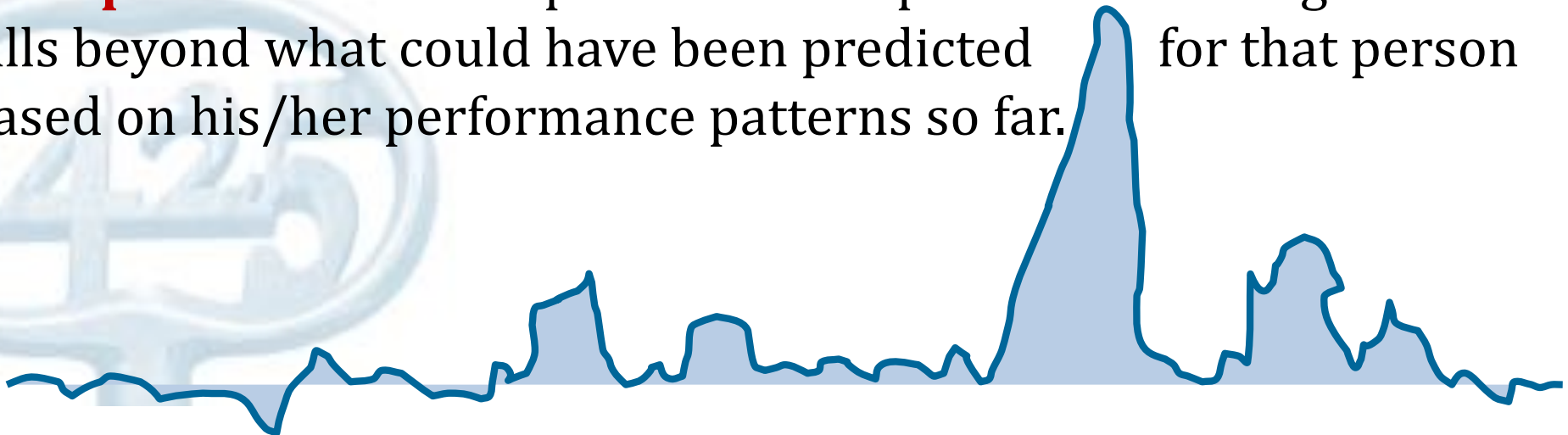
Performance fluctuations

Modal performance = A person's typical performance as observed over time—i.e., averaged across different situations.

Personal-best performance = The best performance level a person has demonstrated during a specific period (e.g. one year).

Maximal performance = Average performance taken from several trials under 'perfect' experimental conditions (e.g. task performance under highly monitored and motivating conditions)—e.g. **AC/DC.**

Peak performance = A performance episode that is so good that it falls beyond what could have been predicted   for that person based on his/her performance patterns so far.