

# The Business Case for Executive Assessment: Why Assessment in Challenging Times Can Enhance Productivity and Be a Talent “Game Changer”

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# War For Talent

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- Companies desiring to have the “best” leaders present new challenges for HR functions
  - Need to attract the “right” people
  - Need to invest in growth and development of executives
  - Need to build creative strategies to retain top talent

# HR Challenges

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- In the past...
  - HR has been seen as a “soft” function
  - Difficulty showing ROI on critical initiatives
  - Not a significant consideration when building the overarching success strategy for the business

# The Future of the “War For Talent”

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- The future will require...
  - HR to demonstrate “hard” measurements and tangible results
  - More scientific rigor attraction, development and retention strategies
  - Clearer linkages between HR initiatives and productivity or success measures impacting business strategy

# Getting Started

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- Step 1: Begins with a well-defined talent and leadership strategy
  - What role will talent development play in attracting, growing and retaining top leaders?
  - What is your vision for succession planning and promoting from within?
  - How will you define your competitive advantage in this area?
- Step 2: Define Critical to Success Leadership Competencies
  - What behaviors are rewarded in your culture?
  - What skills will be integral to meet the challenges of the future?
  - ❖ ***It is critical that these characteristics are shaped by senior executives and aligned with the business strategy***

# Building Pull-through

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- Step 3: Creation of Benchmark Standards
  - Define competencies at their “best” and “worst” in visible, observable terms
  - Create a basis for providing leaders with...
    - Common understanding
    - Consistent measurement
    - Impactful, actionable feedback
- Step 4: Creation of Assessment Methodology
  - How will assessment be conducted (e.g., internally, externally, both)?
  - What level of executives will be targeted (e.g., top talent to all leaders)?
  - What and how many assessment tools will be used?
  - How will participants and managers be engaged in the process?

# Final Considerations

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- Step 5: Launching the Strategy
  - Include a well-defined communication plan
    - How will assessment results be used (e.g., performance feedback vs. development only)?
    - What can participants and their leaders expect to result from the process?
  - Create clear direction on next steps once feedback has been received
    - How will HR be engaged in helping individuals translate their feedback into true behavior change?
    - How will the success of the initiative be measured?

# Expected Outcomes

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- Individual Level
  - Better understanding of the organization's expectations regarding leadership
  - Receive clear, objective, actionable feedback
  - Support in development plan creation from an experienced coach/development expert
- Business Unit Level
  - Better understanding of team strengths and opportunities
  - Opportunity to build a strategy for leveraging people talents
  - Can identify new skills that need to be developed or brought into the team
- Organization Level
  - Overview of the type of leaders that deliver success
  - Opportunity to build performance management systems that reward the most critical to success skills and retain talent
  - Critical information to build talent attraction, development and retention strategies

# Additional Organizational Benefits

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- Training dollars spent only on critical skills
  - Development plans tailored and specific
  - Greater clarity around talent roadmaps
  - Reduction in executive search costs
  - Increased talent retention
  - Succession pools targeted
- = Reduction in cost of human capital operations

# Final Thoughts

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- Investment in talent development and assessment
  - Critical for knowing how to **attract** the “right” type of leader to build success in your culture
  - Provides a logical, focused path for **development** of talent
  - Can significantly increase talent **retention** as leaders have a clear path to follow to achieve their personal goals in the organization
- Questions?

## For Additional Discussion on Today's Topic

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