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Chiumento

The individual approach to HR

COME ON, LET'S SORT OUT TALENT MANAGEMENT!

Nobody disputes the fact that talent management is HR's most important challenge. Last year, IOMA's HR Survey showed that talent management is the top issue for 75% of respondents and, more broadly, DDI's survey of 4,500 global leaders showed that 'improving and leveraging talent' is second only to 'improving customer service relationships'. By Dr. Andrew Hill, Director of Talent Management, Chiumento.

It is easy to see why. Across Europe, 50% of men aged between 55 and 64 have stopped working. The number of 35-44 year olds is falling by 15%. Set against this demographic downturn, it is simply an issue of supply and demand. Organisations like Cisco and HP talk openly about recruiting, engaging and developing the top 5% of IT professionals and the cost of these people is the biggest constraint on growth.

It is at this very moment when CEOs most need strategic interventions that the HR arsenal of tools is letting them down. Last year, Deloitte's found more than half of 500 companies did not have HR sitting on the board. This year, Roffey Park reported that half of 479 managers said HR is failing.

Part of the problem is that current approaches to talent management begin and end with competencies, which are being uniformly and inappropriately used in organisations, making them dysfunctional in three important ways:

- **First**, pan-organisation competency models are blunt. Behavioural descriptions are used as though they are a homogeneous set of values. This is to miss the point. Models used in this way are not sensitive enough - different customer expectations (i.e., speed of response, lowest

cost, innovation or intimacy) require different employee behaviours in different parts of the business.

- **Second**, competencies tend to be descriptive and historical – 'this is how the best people have done things around here'. Yet, organisations need to be able to understand their people in a way that links behaviours coherently and simply with current and future strategy – 'this is how our people will do things tomorrow'.
- **Third**, competencies are too demanding. Organisations often have in excess of twenty competencies and they expect staff to exhibit at least a threshold level of competence on each one. We are inviting employees to develop multiple personality disorder; it is no surprise that psychologists are seeing unprecedented levels of distress and ill-health in organisations.

Correspondingly, a new strategic approach to talent management is required that works top-down, is coupled with strategy, is sensitive to the needs of different client groups and does not lead to stress at work.

An example is the United Nations in the Horn of Africa which, due to working with Chiumento, has significantly improved its ability to meet the needs of the people it serves and employs in the region. The Office for the Coordination of Humanitarian Affairs (UNOCHA) is a central hub of the UN and works on policy development and advocacy.

Leader Alastair Scott-Villiers asked Chiumento to help align the unit with the needs of the people it aims to help. *"The unit was acting as a series of disparate, inefficient teams pulling in different directions,"* he says. *"We needed to improve our client focus".*

Chiumento identify an organisation's predominant operating environment and diagnose the strategy, culture and behaviours required for it to be successful. They use a model which classifies the motivations and behaviours of people (whether clients or suppliers) according to four prevalent styles: Performance, Administration, Development and Intimacy – PADI.

Using this model, Chiumento worked alongside UNOCHA and determined the organisation needed to work with three styles from its environment. Sponsors tended to demand Administration, with an emphasis on providing consistent financial and operating reporting. Governments wanted sustainable Development and innovative ways of working with pastoralists while pastoralists were looking for Intimacy and long-term relationships. *"None of us had seen anything like it,"* says Scott-Villiers. *"The model explained very simply the diverse needs of our clients and how we had to restructure ourselves to better meet them."*

As a result, instead of disparate teams providing a combination of these services, centralised Administration and Development teams were created in Addis Ababa to support the regional Intimacy teams formed in Kenya and Ethiopia. A new competency model was developed and, rather than it being a balanced pan-organisation model, the new competencies focused on providing clients with the services most relevant to them. Staff are recruited and developed according to the relevant environment and competencies.

Scott-Villiers is clear about the impact that implementing the PADI model had on the PCI. *"We cannot believe the difference it has made,"* he says. *"The unit is now well-structured and focused on its clients' needs. We have really benefitted from implementing the model, and so have the people we work with".*



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