**Unit – 1**

**Introduction to Talent Management**

**Meaning of Talent management:**

Talent Management, as the name itself suggests is managing the ability, competency and power of employees within an organization.

The concept is not restricted to recruiting the right candidate at the right time but it extends to exploring the hidden and unusual qualities of the employees and developing and nurturing them to get the desired results. Talent Management in organizations is not just limited to attracting the best people from the industry but it is a continuous process that involves sourcing, hiring, developing, retaining and promoting them while meeting the organization’s requirements simultaneously. For instance, if an organization wants the best talent of its competitor to work with it, it needs to attract that person and offer him something that is far beyond his imagination to come and join and then stick to the organization.

**Definition:**   
*“Talent management is the process of finding, developing, training and keeping employees whose skills best align with the needs and objectives of the company. The goal of talent management is to hire the best employees the business can afford so that the company reaches its maximum potential for success”.*

[**Significance of Talent Management**](http://blogs.ramco.com/talent-management)

Right talent is the greatest asset for any enterprise. In fact, one of the most important roles of HR is to make sure employees with the right skills stick with the company for long enough. How can this goal be achieved? Well, there’s really no magic trick for this, but using a talent management tool can simplify the process for you and help focus on things that really matter. That’s why there’s a steady rise in the adoption of human capital management, and more specifically, talent management.

* **Getting the right data:** Taking the right strategic decisions in the HR domain relies on accurate data, and as any HR manager would know, good data is hard to come by. That’s where a talent management tool can help by automating the core processes and helping you capture data for making better decisions.
* **Engage the employees:** It’s important for the HR department to keep the entire workforce engaged and give them a sense of belonging and progress. But it can get quite challenging, given the overall complexity of the function. That’s why more and more HR managers are relying on talent management applications to develop and streamline important processes.
* **Automate repetitive tasks:** Certain tasks are best done automated, like creating salaries or updating leave info. These and many similar tasks can be automated to free up resources for strategizing and more critical tasks that can pay back over time. Talent management helps you get in control of the organization’s talent and make sure the talent base grows with time.

**Attracting the Talent**

**How to attract top talent**

Although every candidate will differ in what they look for in an organisation, there are a few things every business can do to appeal to the type of candidate they are seeking.

*Considering the following four points for attracting top talent to the organisation:*

## EVP (employee value proposition)

How do you reward the employees? Getting the right balance of benefits is crucial (take a look at what the competitors offer) and is increasingly seen as a part of the employer branding strategy.

## 2. Promotion opportunities

If a high caliber candidate can’t see opportunities for development and progression, they are less likely to consider the organization as somewhere to advance their career. Ensure that organizations are promoting any training you offer to prospective employees.

## 3. Common values

People who know their skills are in demand can afford to be fussy when it comes to choosing their job. If they are offered two very similar roles, the organizations’ cultures come into play. Consider the questions you ask at interview, how many of these are based around values rather than competencies

## 4. Reputation in the field

Are you seen as a major player in the respective business area? What sets you apart from the competitors? You don’t have to be the biggest business to be taken seriously; you just have to prove what value you can add to the industry.

# Retaining Talent

# *The Top 10 Ways To Attract And Retain Talent:*

**1. Leadership**

New job candidates want to know who they are going to be working for and aligning themselves with. The founders. Senior executives. Managers. Anyone with authority. That means you need great leadership that exhibits integrity and upholds the values of the company on and off the battlefield.

**2. Career Growth**

This isn't as easy as it seems, especially for younger companies. Building an organizational structure that allows for career-pathing takes time and strategy. Being able to show candidates where they can go and how they get there is critical. You also have to prove that you can provide the right resources for professional development. Lacking in this area will ensure high turnover.

**3. The Mission and Purpose**

Today's generation really needs to understand the "why" behind what the company does. They need to know the purpose behind their work and believe in the mission. They want to know their work matters and how it benefits the greater cause. Having a great mission and purpose statement is a good start but it has to be genuine.

**4. Creative Thinking**

Regardless of the job and its related duties, new talent has to be sold on the fact that there will be creative thinking involved. This allows them to feel connected and enjoy their work. Studies show that 50% of today's workforce is not engaged at work. This means they are simply "showing up."

**5. Giving Back**

Philanthropy and community outreach is a great way to show that the organization believes in causes bigger than itself. That it cares about things more important than revenue and profit. Oh, and it's the right thing to do.

**6. Problem Solving**

Similar to create thinking, the autonomy to solve problems for the company and its customers is a big attraction to new talent. This aids in their feeling of connection and increases collaboration within the team.

**7. Innovation**

In my most recent company we started an "Innovation Lab" that is open to anyone who wants to join. It has been wildly popular and a huge selling point to new employees. The members ideate various projects that will improve the company, our community, benefit customers or simply show our thought leadership to the industry. The time involvement must be done during work hours. That piece is important.

**8. Professional Development**

As mentioned above on the subject of career growth, great companies find the time and resources to make this happen. Not investing in this area will deter potential new hires and send the existing talent base to the competitors.

**9. Recognition and Reward**

Rewards and recognition must be both intrinsic and extrinsic. Extrinsic motivation involves public recognition and external rewards such as bonuses and praise. Intrinsic motivation is even more important. This allows employees to feel connected, like they are "in" on things, that they have autonomy and freedom and opportunity for personal growth.

**10. Teamwork and Teambuilding**

Who doesn't want to be part of a high-performance team? Nobody! Opportunities for teamwork and teambuilding don't just come in the form of offsite activities. Rope courses aren't the path to building a great team. Teambuilding should be ingrained in the culture. In everything you do.

Basically, rightsizing means getting rid of any extra resource that might be turning into liabilities because of the cost factor. When you have a Beetle and a Ferrari and you need to buy a bungalow, but the cost of car maintenance stops you from, you end up selling one of the cars.

You make space (and cash) for some new requirement. That is the idea behind rightsizing. Just to obliterate the wrong impression that the word gives, let’s use the term ‘rightsizing’ instead. Some even call it ‘fantasizing’ which is a summation of two words viz. fantastic and sizing. [CareerBuilder India](http://www.careerbuilder.co.in/)India lists five reasons why right-sizing is the right things for organizations to do.

**RIGHTSIZING the Workforce**

**Meaning:**

The process of a corporation reorganizing or restructuring their business by cost-cutting, reduction of workforce, or reorganizing upper-level management. The goal is to get the company molded properly to achieve the maximum profit. The term rightsizing is often used by companies instead of downsizing because it sounds less drastic.

**Why The Right Sizing Is Must Have For The Organization :**

**1. It Makes you Fitter:** Rightsizing is the way to a leaner and meaner you. Probably the biggest advantage of downsizing for the company is that it helps you shed every extra inch hanging to it for simply no reason. A leaner organization is to compete better at the market place without the fear of being beaten because of an unhealthy size..

**2. Increases Loyalty:** There can be a lot of bitterness if rightsizing is done the wrong way. You employees will surely doubt the intent and will be upset.

**3. Helps The Re-evaluate:** Rightsizing is at the nucleus of change. Strategies change, and so do goals. Right-sizing can help an [HR](http://www.careerbuilder.co.in/Jobs/Keyword/HR/) company improve its service efficiency. By deploying the right number of people (no single extra source) it can ensure that the workload to workforce ratio is optimum.

**4. Aids in Debt-Payoff:** Why are you trying to cut on costs? One reason is to earn more profits. The second reason is that you need to pay-off the existing debts of the organization. Rightsizing is the key to paying off the accumulated debt when the profits are lowering or at time of financial crunch in the company.

**5. Builds Teamwork:** Post right-sizing, make sure that the retained employees, are not afraid of working with you. Most of those who are left would be under the impression that they will be made to stretch and work extra hours.

**Work-life Balance**

**Meaning:**

 Work-Life Balance does not mean an equal balance. Trying to schedule an equal number of hours for each of the various work and personal activities is usually unrewarding and unrealistic.

**Definition**

*“Work-life balance refers to the level of prioritization between personal and professional activities in an individual’s life and the level to which activities related to their job are present in the home”.*

*“Work-life balance is the optimal arrangement of an individual’s on-the-job and private time to facilitate health and personal satisfaction without negatively impacting productivity and professional success”.*

## Work Life Balance Initiatives

Simply put, work/life balance initiatives are any benefits, policies, or programs that help create a better balance between the demands of the job and the healthy management (and enjoyment) of life outside work.

**Work/life initiatives can potentially deal with a wide range of issues including:**

* on-site childcare,
* emergency childcare assistance,
* seasonal childcare programs (such as March break or Christmas),
* eldercare initiatives (may range from referral program, eldercare assessment, case management, a list of local organizations or businesses that can help with information or products, or seminars and support groups),
* referral program to care services, local organizations, etc.,
* flexible working arrangements,
* parental leave for adoptive parents,
* family leave policies,
* other leaves of absence policies such as educational leave, community service leaves, self funded leave or sabbaticals,
* employee assistance programs,
* on-site seminars and workshops (on such topics as stress, nutrition, smoking, communication etc),
* internal and/or external educational or training opportunities, or
* fitness facilities, or fitness membership assistance (financial).

Work/life balance plans cannot be a one size fits all model. There are many factors to consider such as the different generations at work, age, culture, family needs, and socioeconomic status.

Work/life balance initiatives can be part of a complete health and safety and/or a health promotion program in the workplace. The initiatives can be written as part of existing health and safety policy, or particular guidelines can be referenced in the overall company human resources policy or the collective agreement (if applicable).

Meeting both the employees' and overall business needs requires a significant commitment from senior management. Each workplace should tailor its work/life policies to suit their own particular needs and corporate culture. This 'best fit' should be done with frequent consultation with employees. As with other health and safety programs, for work/life initiatives to be successful and sustainable, both employers and employees must take responsibility for making the program work effectively. An evaluation or feedback systems should also be part of that process.

It is very important to remember that for many workers balancing work/life demands is just one of the many challenges they face on a regular basis. While most people would agree that these issues should be addressed, they may not know where they can be resolved. A program dealing with work/life issues could, for example, be part of a complete health and safety program. However, it should not take away resources or distract attention from addressing other health and safety concerns or hazards that may be present in the workplace.

**Providing HR Leadership to Business**

**Meaning:**

Business Strategy for HR Leaders provides senior HR executives with intensive training in strategy which will enable them to participate equally in the boardroom and contribute to the decision-making processes in their organizations. This programme focuses on empowering HR leaders with the key strategic concepts used by CEOs and corporate leaders – and demonstrates how they can use these to develop their own HR agenda to complement their organisation’s global strategic initiatives.

# *8 Keys to Provide HR Leadership to Business:*

# The Good news from this research is the overall goal for both Executives and Human Resource Professionals are the same – get to the Executive Conference Table while taking a clear strategic leadership approach for the Talent Management side of the business.

### ****1. Position the HR Team****

Sounds like a marketing function, yet it is the job. Begin to think and act like a Strategic Leader by using ROI in the discussions, measure things related to productivity and report the progress of key indicators of performance. An example would be to calculate productivity numbers like dividing a division or company sales by payroll or number of employees.

### ****2. Discover Patterns & Change Opportunities****

Anticipate more and react less. One of the major complaints I hear from executives is their HR team reacts to people issues rather than proactively develop ideas, standards, or improvements for the organization. Detect breaks in continuity – think and talk about Business models; network with others to learn new ideas about the profession.

### ****3. Guide Communication and Culture****

Help to create the culture. One of the major mistakes I see in corporations is a lack of attention for the development of a specific corporate culture. Too many HR Professionals allow the culture to set itself, which is a major mistake. As the leader of the Human Resource Group, one of the critical jobs is to assist in the creation and nurturing of a preferred culture..

### ****4. Match Jobs and People****

Many companies look like a pile of jig-saw puzzle pieces rather than a work of art. It is the leadership responsibility to find the talent for current AND future needs. Find the people whose strengths match the traits needed for the job or position to produce superior performance.

Systemize the selection process and use some objective data as part of the process. Many organizations only use subjective processes without the insurance of objective validation. You want to be sure you have a high performer in the interview.

### ****5. Influencing Other Leaders****

This is the responsibility rather than theirs. The issue is to mold these high-energy, high-powered, and sometimes high ego people into a working functional team with the HR Team. This is necessary for you to synchronize both the efforts and their efforts to propel the company forward. Learning to gain rapport with all the different types of executives and managers is important to you and others.

### ****6. Developing Goals with Purpose****

This is not about doing the things just because they were done a certain way in the past. Goals are about the future. However, the goals should be constructed with a strong over-riding purpose in mind

### ****7. Pinpointing Priorities****

Priorities are the pathway to accomplishing the goals – with purpose – you established in point six. The challenge in this step is to rise above the daily chaos and work with purpose. People talk about multitasking like it is a badge of honor. Multitasking every minute of everyday is the sign of all highly UN-productive person.

### ****8. Prepare for Social Issues****

The greatest leadership and management guru of all time – Peter Drucker – forecasted in 1995 that Social Issues would be the next big issue for leaders. And, as always, he was correct. Social issues are just that – they impact the quality of lifestyle of people.

**Unit – 2**

**Competency Mapping**

## Competency Mapping Meaning

Competency is the cumulative result of the presence of three components. These components are:

* Knowledge
* Skills
* Behavior necessary

In order for an individual to excel in a particular role, all the three components are mandatory. The inter play between these components as

* Knowledge helps to build the skill
* Skill helps the knowledge to be exhibited

Behavior helps the knowledge to be exhibited. In the absence of behavior, the competency becomes a “hidden” competency.

Competency approach to job depends on competency mapping. Competency Mapping is a process to identify key competencies for an organization and/or a job and incorporating those competencies throughout the various processes (i.e. job evaluation, training, recruitment) of the organization.

**Definition:**Competency mapping identifies an individual's strengths and weaknesses. The aim is to enable the person to better understand himself or herself and to point out where career development efforts need to be directed.

***The competencies have five characteristics***

\* **Motives**: Things a person consistently thinks about or wants that cause action, motives drive, direct and select behavior towards certain actions.

\* **Traits:**Physical characteristics and consistent responses to situations. Good eyesight is physical traits of a pilot. Emotional Self Control and initiative are more complex consistent responses to situations.

\* **Self Concept:**A person's attitude value or self image. A person's values are reactive or respondent motives that predict what a person would do in the short run.

\* **Knowledge**(Information a person has in a specific work area) Example: An accountant's knowledge of various accounting procedures.

\* **Skill**(is the ability to perform certain mental or physical tasks) Example: Mental competency includes analytical thinking.

**The four general competences are:**

* **Meaning Competence**: Identifying with the purpose of the organization or community and acting from the preferred future in accordance with the values of the organization or community.
* **Relation Competence**: Creating and nurturing connections to the stakeholders of the primary tasks.
* **Learning Competence**: Creating and looking for situations that make it possible to experiment with the set of solutions that make it possible to solve the primary tasks and reflect on the experience.
* **Change Competence**: Acting in new ways when it will promote the purpose of the organization or community and make the preferred future come to life.

**Features of Competency Mapping**

* Selection methods cover the entire spectrum of job-relevant abilities, including reasoning and social skills, and are offered in a variety of formats:
* Multiple-choice tests, either computer-based or paper and pencil   
   Structured interviews
* Biodata questionnaires
* Job-knowledge tests
* Social skills inventories
* Executive assessment centers
* Language-learning ability tests

**Approaches to Mapping**

The behaviour dimension assessments of individuals are competency assessment. In competency mapping, the behaviour indicators for identified competencies are defined and documented. These behaviors are assessed through various tools and measures on pre-determined scales

This is a defined process map for competency mapping projects that can be used by any HR professional

Define

Competencies

Identify

Competency levels developed & defined

Intervention Planning

Competency Gap analysis

Assessment tools decided for measuring competency levels

Assessment of competencies

Behaviour descriptions for every level prepared

### Identifying competencies

The following techniques in isolation or in a group can be used for identifying competencies

* Job descriptions
* Focus group discussions
* Questionnaire
* Leadership/individuals inputs – BEI interview

### Defining competencies

The identified and agreed competencies, will be defined and documented for easier and clearer understanding by the employees for the assessment purposes. The varied levels and corresponding behaviour dimensions are to be developed in this step

***For example:***

|  |
| --- |
| **Interpersonal Skills** |
| Ability to interact and engage with clients, peers, superiors and subordinates with assertiveness and empathy. Clearly communicates the views and keep the group’s point of view in mind while discussing issues. Manages internal and external clients in harmony |

**Behavioral dimension**

* Understands the interests and important concerns of others.
* Notices and accurately interprets what others are feeling, based on their choice of words, tone of voice, expressions, and other nonverbal behavior.
* Anticipates how others will react to a situation.
* Listens attentively to people's ideas and concerns.
* Understands both the strengths and weaknesses of others.
* Understands the unspoken meaning in a situation.

### Assessment tools

The universally used assessment tools of two kinds

* Instrument based tools
* Simulation tools

**Instrument based tools**

Instrument based tools are those which are tried and tested instruments. Some of the psychodynamic instruments used generally:

The instruments that are non psychodynamic in nature are the following

* 360 degree feedback analysis
* Leadership survey instruments

**Simulation tools :**

Simulation tools are the techniques whereby the individual or team is assessed on their behaviour in a given circumstance, which is a simulated one based on the business scenarios .

Some of the most commonly used techniques are

* Behavioral Event Interview (BEI)
* Leaderless Group Discussion
* Role plays
* Outbound behavioural observation

### Competency Mapping and Gap analysis

Once the competencies are assessed it is mapped against the requisite levels for the position/role. The mapping will entail providing the insight on the gaps in the competency levels displayed by the individual, if any. This is done by mapping the existing levels of competency exhibited by individuals against the desired competency levels for each of the roles for individuals

### The gaps identified will be between the demonstrated proficiency levels against the expected proficiency levels

**Competency Mapping Procedures and Steps in Business Strategies**

### In our scenario, I put together a design team with a shared goal of creating a comprehensive, equitable, and purposeful program based on clearly defined criteria and competency evaluation as a basis for employee promotion. At a very high level, we began with these seven steps in mind:

**1) Identify key components of employee job descriptions**- the critical points only. Focus on what characteristics and skills are absolutely essential to get the job done. Remember that job descriptions often serve different purposes when posting a position than is needed to explain the role's responsibilities.

**2) Clarify roles and eliminate superfluous information** - narrow the scope again. Look through the essential words and phrases. Ask theself whether you have more words than needed to describe the essential characteristics.

**3) Identify required aptitudes, attitudes, skills, and knowledge for roles** - critical components of the competencies are what is beneath the surface of employee behavior. Like an iceberg, we see only what is above water, but realize the vast majority is underneath. These values, underlying skills, and approach to work is what you're after. Identify what you need for a successful employee.

**4) Synthesize ideas into central themes and define them**- no more than 10 competencies. You will get mired in the assessment and analysis portion if you don't narrow it down to the critical few. Start researching other similar organizations and the competencies they require of employees. Look to the K-12 educational sector. There's quite a bit of knowledge about teacher competencies that will likely align very well with the team.

**5) Create a five-scale rubric system** - describe what a novice looks like for each competency. What about the expert? What does performance at each level in between look like? What are the skills, aptitudes, and knowledge required at the minimum for each level Here's where you will want to clearly describe the behaviors exhibited by individuals who perform at each level on the novice-to-expert scale.

**6) Build assessments**- organize the set of questions aimed at identifying level of alignment for each of the five scales you've designed.

**7) Build logistics for roll-out and on-going measurement cycles** - this is the fun part! You build a list of competencies, defined them, built rubrics to assess level of competency on a novice-to-expert scale. Now you need to launch the program. Pay attention to the audience.

**Methods of Data Collection for Mapping**

Businesses use competency mapping to match the capabilities and talent of personnel with specific job tasks and organizational needs. The technique involves conducting a job analysis to identify core skills and behaviors required to perform the role, drafting a job description based on the key competencies and aligning resources to best fulfill competency needs.

*The following are the various methods essentially used in data collection for mapping:*

## Assessment Center

The assessment center methodology involves situational observation to evaluate performance and growth potential of candidates relative to specified job attributes. The approach uses various types of discussion and simulation exercises to reflect real-life demands of the job.

## Critical Incidents Technique

The critical incidents technique uses data gathering and analysis to identify job-specific behaviors that influence the success or failure of an individual or collective business operation performing a certain job.

## Interviews

The candidate interview provides first-hand insight into candidate behaviors and is an effective method for collecting relevant information and impressions about prospective employees.

## Questionnaires

Questionnaires offer another approach for gathering information about job competencies and work performance. Several types used in competency mapping include the common metric questionnaire that highlights work requirements and activities, functional job analysis that describes job duties and characteristics, occupational analysis inventory that specifies work elements for almost all occupations, position analysis questionnaire that ties job characteristics to human characteristics and work profiling system that measures ability and personality attributes..

## Psychometric Tests

Psychometric testing provides a consistent approach to measuring and quantifying a sample of behavioral attributes. The two main types of psychometric assessment are aptitude tests and achievement tests.

## Developing the Competency Model

There are four main steps in the competency framework development process. Each steps has key actions that will encourage people to accept and use the final product.

**Step One: Prepare**

* **Define the purpose** – Before you start analyzing jobs, and figuring out what each role needs for success, make sure you look at the purpose for creating the framework. How you plan to use it will impact whom you involve in preparing it, and how you determine its scope.
* **Create a competency framework team** – Include people from all areas of the business that will use the framework. Where possible, aim to represent the diversity of the organization. It's also important to think about long-term needs, so that you can keep the framework updated and relevant.

### Step Two: Collect Information

This is the main part of the framework. Generally, the better the data you collect, the more accurate the framework will be. For this reason, it's a good idea to consider which techniques you'll use to collect information about the roles, and the work involved in each one. You may want to use the following:

* **Observe** – Watch people while they're performing their roles. This is especially useful for jobs that involve hands-on labor that you can physically observe.
* **Interview people** – Talk to every person individually, choose a sample of people to interview, or conduct a group interview. You may also want to interview the supervisor of the job you're assessing. This helps you learn what a wide variety of people believe is needed for the role's success.
* **Create a questionnaire** – A survey is an efficient way to gather data. Spend time making sure you ask the right questions, and consider the issues of reliability and validity. If you prefer, there are standardized job analysis questionnaires you can buy, rather than attempting to create the own.
* **Analyze the work** – Which behaviors are used to perform the jobs covered by the framework? You may want to consider the following:
  + Business plans, strategies, and objectives.
  + Organizational principles.
  + Job descriptions.
  + Regulatory or other compliance issues.
  + Predictions for the future of the organization or industry.
  + Customer and supplier requirements.

Job analysis that includes a variety of techniques and considerations will give you the most comprehensive and accurate results. If you create a framework for the entire organization, make sure you use a sample of roles from across the company. This will help you capture the widest range of competencies that are still relevant to the whole business.

### Step Three: Build the Framework

This stage involves grouping all of the behaviors and skill sets into competencies. Follow these steps to help you with this task:

* **Group the statements** – Ask the team members to read through the behavior statements, and group them into piles. The goal is to have three or four piles at first – for instance, manual skills, decision-making and judgment skills, and interpersonal skills.
* **Create subgroups** – Break down each of the larger piles into subcategories of related behaviors. Typically, there will be three or four subgroupings for each larger category. This provides the basic structure of the competency framework.
* **Refine the subgroups** – For each of the larger categories, define the subgroups even further. Ask theself why and how the behaviors relate, or don't relate, to one another, and revise the groupings as necessary.
* **Identify and name the competencies** – Ask the team to identify a specific competency to represent each of the smaller subgroups of behaviors. Then they can also name the larger category.
* Here's an example of groupings and subgroupings for general management competencies:
  + Supervising and leading teams.
    - Provide ongoing direction and support to staff.
    - Take initiative to provide direction.
    - Communicate direction to staff.
    - Monitor performance of staff.
    - Motivate staff.
    - Develop succession plan.
    - Ensure that company standards are met.

**Validating the Competency Models**

* **Validate and revise the competencies as necessary** – For each item, ask these questions:
  + Is this behavior demonstrated by people who perform the work most effectively? In other words, are people who don't demonstrate this behavior ineffective in the role?
  + Is this behavior relevant and necessary for effective work performance?

### Step Four: Implement

As you roll out the finalized competency framework, remember the principle of communication that we mentioned earlier. Here are some tips for implementing the framework:

* **Link to business objectives** – Make connections between individual competencies and organizational goals and values as much as possible.
* **Reward the competencies** – Check that the policies and practices support and reward the competencies identified.
* **Provide coaching and training** – Make sure there's adequate coaching and training available. People need to know that their efforts will be supported.
* **Keep it simple** – Make the framework as simple as possible. You want the document to be used, not filed away and forgotten.
* **Communicate** – Most importantly, treat the implementation as you would any other change initiative. The more open and honest you are throughout the process,.

**The Value of Validation in Competency Model Development:**

Validation of the competency model is a critical step before jumping right into implementing a competency initiative in the organization. In the first [part of this post](http://blog.competencycore.com/2013/04/competencymodelvalidation.html) we examined what validation means, how to [validate a competency model](http://www.competencycore.com/competencycore-libraries), and why this is a critical step in the process.

* **Have you received feedback from a variety of points of view?**Have you only consulted managers or job incumbents or only job incumbents from a particular department?  Validation requires that you obtain opinions from multiple points of view
* **Are the validators representative of all employees?** If you are not involving all employees in the validation process, you need to ensure that those who you do involve can speak for everyone.
* **Do employees leave the validation sessions confused?** Do you continue to receive many questions or complicated feedback  If so, you may need to continue communicating about the implementation and continue to validate.
* **Does everyone agree?**One would think that if everyone agrees to the competency model that you are on the right track.  However, this could be due to the fact that employees are disengaged, uninterested and simply agreeing to end the process quickly.
* **Are employees already rejecting the competency model?**There could be a few issues at play here.  Perhaps you have validated the model too much and employees have had enough of the process.

**UNIT -3**

**Performance Management & Employee Development**

**Performance Management - Meaning & Definition:**

*Performance management is a process that provides feedback, accountability, and documentation for performance outcomes. It helps employees to channel their talents toward organizational goals.*

*Performance Management can be defined as a process which continuously****identifies measures and develops****the performance of the workforce in the organization. And to do so, each individual’s performance and objectives are connected with the overall mission and goals of the enterprise.*

**Employee Development - Meaning & Definition:**

*Employee development is a joint initiative of the employee as well as the employer to upgrade the existing skills and knowledge of an individual. It is of utmost importance for employees to keep themselves abreast with the latest developments in the industry to survive the fierce competition. Believe me, if you are not aware of what is happening around you, even before you realize you would be out of the game*

*Encouraging employees to acquire new or advanced skills, knowledge, and view points, by providing learning and training facilities and avenues where such new ideas can be applied.***Personal Development Plans**Organizations must encourage their employees to participate in employee development activities. Employees also must take skill enhancement or employee development activities seriously. Do not attend trainings or other employee development activities just because your Boss has asked you to do so. Don’t just attend trainings to mark your attendance. You just cannot use same ideas or concepts everywhere.

All staff members are, therefore, expected to complete a ‘personal development plan’ at the beginning of each performance cycle. This plan typically includes competencies the staff member wishes to strengthen, learning opportunities the staff member wishes to take, and career aspirations of the staff member for future assignments.

Most of the best learning and development occurs on the job, by taking on new tasks or committing to ‘stretch assignments’. These examples below will require more commitment of your time and effort and the agreement of your supervisor, but the benefits are invaluable. Some examples

* Taking on a tough project where others have failed
* Taking on a task you dislike
* Working short rotations in other units in functions you have not been exposed to Filling a vacancy until the new staff member comes on board
* Becoming someone’s mentor
* Taking over for someone on vacation or mission assignment

**PROFESSIONALISM**

Attend and participate in a meeting to which you are invited, arriving on time and participating actively

**COMMUNICATION**

After giving a verbal presentation, identify colleagues who are present who are recognized within the Organization as being effective communicators. Ask these people for feedback and attempt to incorporate their feedback into future verbal presentations.

**TEAMWORK**

If you supervise staff, consider organizing a team-building event for you and your staff, perhaps with the help of an internal or external specialist.

**PLANNING AND ORGANIZING**

Next time you have an assignment to complete, make an effort to ensure that there is a clear deadline. It is important that you make an indication of the time that you think will be necessary for completing the work and try to stick to this time allocation

**CLIENT ORIENTATION**

Develop a client satisfaction survey to assess how satisfied your clients are with the service they receive. It would be useful to ask them what changes they would like to be made to the service that you provide. Create and implement a customer satisfaction survey

**MANAGING PERFORMANCE**

Prepare a list of issues concerning your team’s performance which you know could be improved; think about what you can do to address each of these issues

**360 DEGREE FEED BACK AS A DEVELOPMENT TOOL**

Over the past five years, we have seen more and more interest in using [360-degree feedback](http://www.decision-wise.com/360-degree-feedback/)as part of a performance appraisal process. Many organizations have made the change from using 360-degree feedback assessments strictly for development to using them for performance evaluations, talent reviews, and succession planning. The key to success is the way in which you implement the process in the organization.

**360 Migration Pattern**

Generally it is recommended to begin using 360 assessments for development, and then migrate towards [performance appraisal](http://www.decision-wise.com/360-degree-feedback/360-evaluation/) over time, if appraisal is the direction you’d like to go. This helps to break in the organization to the process and relieve any fears that people may have about 360s. The following illustrates a typical migration pattern for using 360 assessments and the different components of each method:

1**. Personal Development**

* 360 feedback is part of a development event
* Reports are confidential and kept within the scope of training
* Rater selection and follow-up is participant driven

**2. Personal and Organizational Development**

* 360 feedback is part of a development program
* Action plans are to be discussed with the participant’s manager
* Management receives group reports

**3. Assessment and Development**

* 360 feedback is part of the performance assessment process
* Group and individual reports are shared with managers
* Rater selection and follow-up is driven by manager

4**. Performance Appraisal**

* 360 feedback is specific to position competencies
* Ranking and grading on group and individual scores
* Includes a formal rater selection process, appraisal, and links to compensation

During the first year, 360 assessments would be used exclusively for developmental purposes. During the second year, 360s could also be used as part of a performance evaluation process (Notice that we said “as part of”. It’s important to note that 360 feedback should never replace a formal appraisal process, but should serve as an additional source of input).

Alternatively, if there is a low level of trust in your organization and anxiousness about change in general, you may want to extend the migration over a period of two-three years.

**Performance Management & Reward System**

A great performance system does not only recognize and motivate high performers, but also cultivate a performance-driven culture to meet future competition. PwC Taiwan’s performance consultation incorporates MBO methodology and emphasizes the linkage between performance and the reward system to maximize business performance.

**REWARD**

Reward Management is concerned with the formulation and implementation of strategies and policies that aim to reward people fairly, equitably and consistently in accordance with their value to the organization

**Objectives of Reward Management**

        Support   the   organisation‘s   strategy

        Recruit & retain

        Motivate employees

        Internal & external equity

        Strengthen psychological contract

**Reward system :**  
Reward systems are much more than just bonus plans and stock options. While they often include both of these incentives, they can also include awards and other types of recognition, promotions, reassignment, or other non-monetary bonuses. PwC Taiwan provides a complete reward system model, linked with the performance system, to help clients create a fair reward system to encourage employees to maximize their contributions.

### Rewards for Performance

### The previous section set the context for a holistic approach towards performance management. If we now consider the rewards structure for such performance, we find that the performance as determined by the above parameters needs to be rewarded appropriately. In other words, the appraisal at the end of the performance cycle has to translate into grades that reflect the *basket of attributes* described above.

An ideal reward system would be made of financial and non-financial measures that include bonuses, pay hikes, and non-financial measures like perquisites and benefits that can be converted to monetary values but are inherently rewarding in a non-monetary sense. This means that companies ought to take a holistic approach towards performance and not merely based on narrow results, which without the presence of soft skills and emotionally intelligent behavior would lead the company nowhere.

### Rewards should be unbiased and non-discriminatory

Often, it is the case that superiors have favorites among the employees and this leads them to reward those favorites and discriminate against those who are not in their good books. As mentioned above, truly excellent companies inculcate an organizational culture that is non-discriminatory, unbiased, and free from prejudice and harassment. Hence, the reward structure in these organizations follows the principles of fairness, justice, and equity. Of course, in many companies, the tendency to play politics and have favorites is too hard to resist for many. Therefore, without getting into idealistic notions, it has to be mentioned that unless companies evolve reward systems that are at least consistent with basic fair play principles, their organizational cultures would be better off in the longer term.

**Performance Linked Remuneration System**

Many [employers](https://en.wikipedia.org/wiki/Employer) use this standards-based system for evaluating employees and for setting salaries. Standards-based methods have been in [*de facto*](https://en.wikipedia.org/wiki/De_facto) use for centuries among commission-based sales staff: they receive a higher salary for selling more, and low performers do not earn enough to make keeping the job worthwhile even if they manage to keep the job. In effect, the salary would be re-evaluated up, or down, periodically (usually annually) based on the performance of the individual or team.

Compensation used to mean a fixed salary with annual increases. This model rested upon employee demands to be paid based on the number of hours worked and years of service. Today's compensation needs to reflect the “new” contract between employers and employees – where performance is rewarded regardless of effort or tenure.

Pay-for-Performance ("PFP") systems tie compensation directly to specific business goals and management objectives. To do this, companies must deliver competitive pay for competitive levels of performance, pay above market for exceptional performance, and reduced pay for poor performance. To achieve this, companies must match measurable and controllable performance targets to company objectives.

It is critical to link compensation to your overall business strategy. To do that effectively, you must be able to identify the direction the organization needs to move and communicate the desired actions to get there. Compensation provides a very effective tool for getting employees to move in the same direction and follow the same path.

**Results vs. Effort**

Successful compensation plans pay for results. At the same time, they also need to recognize effort because no matter how hard employees work, sometimes they don't achieve desired results. People can work hard and not reach their goals, and you can't ignore that, especially when factors beyond their control impact their performance. Pay for results, but build into the plan other ways to reward and recognize hard work.

**Design Issues**

How do you measure the goal? The way you measure results will have a huge impact on plan design. Do you intend to measure profit? Quality improvement? Customer service? Sales growth? A combination of different measures? Whatever the criteria, be very specific about what you intend to measure and how you will measure it. For example, if you measure profit, are you talking about before or after tax? Also, make sure you have a valid and reliable measurement system and process.

**Implementing the Plan**

Consider a bridge program. Never decrease base pay in order to put in an incentive plan. Nothing will erode the trust level quicker. (The only exception is a turnaround situation where the company must cut pay in order to survive.) Instead, consider using a bridge program that maintains trust levels while allowing employees to get used to the concept of pay for performance

**Performance Linked Career Planning Promotion Policy of Employees**

In recent decades, career development has seen a shift in the way it is approached. Traditionally, it was up to an organization to ensure that its [employees](https://www.marsdd.com/mars-library/engaging-consultants-and-employees/) had the skills to meet the company’s long-term goals. Now, however, employees advocate that they are—and should be—responsible for their own career development.

This shift has changed the way that organizations handle career development. Career development is viewed today as a kind of partnership with employees. It is also a key component of a company’s attraction and [retention](https://www.marsdd.com/mars-library/retaining-top-talent-employee-retention-strategies-for-startups/) strategy. Many candidates will not consider employment with an organization unless it offers career development as a basic component of its [culture](https://www.marsdd.com/mars-library/startup-leaders-and-building-corporate-culture/).

## Career development from two perspectives

Career development should be considered from the perspectives of both the organization and the employee:

* **Organization:**What skills and knowledge do we require to achieve our business goals?
* **Employee:**What are the skills and knowledge I think critical to my current and future career plans?

## Building an organizations’ career development program

Organizations should consider two factors when putting together their career development program:

1. The business plan
2. Employee career paths

Clearly, an organization must consider its overall direction and goals in order to assess the [competencies](https://www.marsdd.com/mars-library/how-to-incorporate-competencies-in-your-startups-recruitment-process/) that they need from their workforce to be successful. It is equally important that the organization take into account an employee’s [motivation](https://www.marsdd.com/mars-library/motivating-employees/) to succeed as an individual.

## Career development: Meeting organization and employee needs:

A proven method to meet these needs of the organization and the employee involves:

* Developing career paths that enable employees to understand their options to grow in the organization
* Gathering the information to determine what skills they would need to achieve this
* Remember, career paths can entail promotions or lateral transfers. A solid career path program requires detailed [job descriptions](https://www.marsdd.com/mars-library/job-descriptions/) and support through management [coaching](https://www.marsdd.com/mars-library/training-and-development-programs/).
* Identifying and updating an employee’s career plan
* Each employee should have a career plan that has been discussed with their manager. Generally, this would take place during the [performance review](https://www.marsdd.com/mars-library/performance-reviews-managing-performance-effectively/) process.
* The career plan includes an assessment of the “gaps” or training requirements. The career plan should be reviewed on an ongoing basis. This ensures that both the employee’s and the organization’s needs and objectives are adjusted over time.

**Promotion Program and Procedure :**

Every organization should make advance plans for promotion programme. A carefully planned promotion programme has four elements:

a) formulation of promotion policy,

b) identification of promotion channels,

c) promotion appraisal, and

d) centralized records. We shall discuss each element in detail.

**a) Formulation of Promotion Policy:**

Each organization needs to maintain a balance between the internal sources of personnel promotion and external sources by means of recruitment. Hence, promotion must be based on consistent, fair and clear cut policy. The National Institute of Personnel Management (NIPM) has suggested a promotion policy on the following lines:

All promotions should be for a trial period to ascertain whether the promoted person is found capable of handling the job or not. Normally, during this trial period, he draws the pay of the higher post, but it should be clearly understood that if “he does not make the grade” he will be reverted to his former post and former pay scale.

b**) Promotion Channels**:

Promotion channels should be identified and recorded on paper. This process is related with job analysis and career planning of an organization.

**c) Promotion Appraisals:**

The promotion of an employee is entirely dependent upon his/her performance appraisal outcome.

**d) Centralised Records:**

The education, experience, skills, abilities and evaluation of all employees should be recorded and maintained in a centralised manner by the department of the organization, because basing on these attributes, promotion is given to an employee.

**UNIT-4**

**Engagement**

Engagement is the ability to be present, focused, and energized. But what it *does*is even more interesting. Engaged people go above and beyond what is expected of them because they feel part of a purpose larger than themselves.

**Employee engagement Meaning and Definition:**

Employee engagement is the emotional attachment employees feel towards their place of work, job role, position within the company, colleagues and culture and the affect this attachment has on wellbeing and productivity.

An engaged workforce produces better business results, does not hop jobs and more importantly is an ambassador of the organization at all points of time. This engagement is achieved when people consider their organization respects their work, their work contributes to the organization goals and more importantly their personal aspirations of growth, rewards and pay are met.

**Significance of Employee Engagement**

***“Employee engagement is a workplace approach designed to ensure that employees are committed to their organization’s goals and values, motivated to contribute to organizational success, and are able at the same time to enhance their own sense of well-being”.***

**Meaning:**What I do must have some significance to me; it must mean something to me personally, and on more than just a surface level. To me, my work is something of value -something of worth.

**Autonomy:**Do I have the freedom and empowerment to perform my job in a way that I do best? Autonomy involves a degree of self-governance. It allows me, as an individual, to create or shape my role and environment in a way that is best for me and for the organisation.

**Growth:**There was a time years ago when one could maintain a base set of skills or level of development, and that base could carry that individual throughout his or her career.  However, our internal speed of change and growth must match (or exceed) the external rate of change.

**Impact:** Have you ever worked for a company where employees give their all, only to face each fiscal quarter with a dismal report of their business performance? The adage “nothing breeds success like success” holds true here.

**Connection:**This factor is clear throughout many of our employee engagement surveys. Quite often, one of the highest-scoring questions on the engagement survey is related to a version of the following question

**Constituent engagement:**

Constituent engagement refers to various approaches that nonprofit organizations can take to involve the individuals, families, and communities they hope to benefit in the process of identifying the issues the organizations seek to address, the programs the organizations provide, and the ways the organizations measure success.

1. **Begin with soliciting input:** Gather valuable information from constituents by providing opportunities to truly hear their voices and integrate their feedback.
2. **Identify opportunities to deepen efforts:** Taking stock of your organization's structure and work, consider opportunities to engage constituents more deeply through co-development (e.g., constituents help to design or scale programs) or by finding ways to transfer ownership to constituents
3. **Design pilots and measures of success:** Pilot opportunities to engage constituents in program design, program delivery, measurement, or scaling.
4. **Learn and adapt:** Use the success metrics and learning agenda to gain insights about the strengths and weaknesses of the new constituent-engagement approach. Discuss opportunities to improve the approach, and make adaptations that will increase constituent participation and engagement.
5. **Expand where relevant:** Identify opportunities to roll out deeper constituent engagement more broadly within the organization.

**Conceptual Framework Employee engagement**

Employee engagement (EE) is a relatively recent developed concept in human resource management and a mantra for today’s workplace and leading organizations to recognize the vested interest for measuring, monitoring and maximizing the level of engagement amongst the employees. It is defined as the level to which employees are fully involved in their work, committed to their work, careful about their organization and colleagues and are willing to extend themselves and go the extra mile for their company to ensure its success.

The review has been presented in different sections such as meaning and concept of employee engagement, importance and factors influencing employee engagement, employee engagement in hospitality industry and impact of employee engagement on organizational performance.

**Behavior Associated with Engaged Employee**

**1. Highly engaged employees take responsibility for their engagement.**

Ninety-nine percent of highly engaged employees report taking personal and primary responsibility for their engagement. It's a stunning and largely ignored fact. Highly engaged employees expect the organization to play a support role in their engagement, while highly disengaged employees expect the organization to play a primary role.

**2. Highly engaged employees don't feel entitled.**

Highly engaged employees understand they must manage their employability. They are far less predisposed to worry about what the organization owes them. They believe high performance speaks for itself, and will be recognized in any setting.

**3. Highly engaged employees engage customers.**

Highly engaged employees can't help but reveal themselves to customers. They infect customers with the contagion of their own engagement. Unfortunately, the opposite is true of disengaged employees

**4. Highly engaged employees remain highly engaged wherever they are.**

I found highly engaged people in all kinds of organizational environments: corporations, governments, hospitals, schools and nonprofits. It didn't matter; they demonstrate agility and adaptability, and recognize organizational conditions are subject to market conditions and the business cycle. Their engagement is portable; they take it with them. It's both a mindset and a skill. They create their own weather.

**5. Highly engaged employees apply six behavioral drivers :**

Individuals who take personal and primary responsibility for their engagement consistently apply six behavioral drivers: connecting, shaping, learning, stretching, achieving and contributing. The ongoing process of applying these drivers allows them to sustain high levels of engagement over time.

***Types of Employee Engagement***

According to the Gallup, the Consulting Organization, there are mainly three types of engagement that occur in the organization. All are different in terms of involvement and their role in the organization.

*Types of employee engagement are:*

**i. Engaged Employees**

An engaged employee is considered as the base of the organizational development. Such kind of employees carries the organization in positive direction.

They not only perform their work but also play an important role in achieving the organizational goals and objectives. Engaged employees want to use their talent and strength at work every day. They perform with passion, drive innovation and move their organization forward through their performance

**ii. Not Engaged**

These kind of employees care only about their work not any other things like goals, objectives and development of the organization. They do not have energy and enthusiasm in their work. These categories of employees do not have cooperative relationship with their colleagues as well as the employers also. Their contribution is little in the success and development of the organization.

**iii. Actively Disengaged**

Actively disengaged employees do not perform their work in a proper manner and do not complete their work timely. Their contribution is almost negligible in the success and development of the organization.

**Parameters to Measures Employee Engagement**

Engagement in use, there are also many different measures of engagement. Typically a measure of engagement will ask respondents to rate a number of questionnaire statements, according to how much they agree, disagree with them or how frequently they experience the feeling or thought each statement refers to

The annual employee engagement survey stands to face a vote of no confidence. Unloved by everyone who completes it, and unable to improve stubbornly low rates of engagement, it sticks out like a sore thumb when we use real-time data as the basis of our decisions in finance, marketing, product development and more.

### Measuring employee engagement is a tricky subject. If you overdo it, you can come off as overbearing and lose the motivation and trust of your employees

### 1. Efficiency

This is a key metric that will give you insight into how much value your employee gives to your company. Employees that meet their deadlines, always show up to work, and work well with their co-workers are great assets. This can be measured by checking attendance, performing team assessments, and measuring the use of company resources by employees.

### 2. Training

A recent [gallup poll](http://www.gallup.com/poll/165269/worldwide-employees-engaged-work.aspx) found only 13% of employees are actively engaged at work and most employees lack the motivation to try to achieve goals. Giving employees the resources and tools they need to achieve those goals will increase motivation and give you insight into how well they are doing their jobs.

### 3. Communication

This can be a difficult metric to measure but it is based more on frequency and the information gathered from conducting it. Check in with employees, as individuals and in a team setting. Find out where they themselves in the future of the company and what their goals are. When you can align your goals with theirs it will contribute to everyone’s happiness.

### 4. Benefits

Taking care of your employees is an easy way to increase engagement. But, as some companies have seen, perks are great but don’t always add up to the most engaged employees.

### 5. Work Quality

Quality of work is directly linked to the effectiveness of an employee. This can be measured by the amount of rejected or incomplete work an employee produces. When employees are engaged ,their quality of work are always at high levels.

**Gallup Q12 Employee Engagement Survey**

Gallup’s employee engagement solution offers the most effective ways to listen to your people, learn how to be a high-performance manager, and lead a culture of engagement. Use the entire solution to maximize your organization’s true engagement potential.

Enter the number of employees you would like to survey to see a cost estimate for your Q12 survey. Enter the number of kits you want to purchase. Need more information about a product? Learn more after reading the brief product descriptions

* Gallup’s Q12 survey
* Easy online survey setup (including Gallup’s Q12 Survey Implementation Guide)
* A custom user dashboard featuring real-time survey participation rates, reports, and other valuable resources
* Communication examples & templates for discussing the survey and engagement with employees

These were some of the questions that the Gallup Organization set out to answer with a comprehensive research study that has spanned the last twenty-five years. The study has produced many important findings, the most powerful of which is that talented employees need great managers.

**Employee Satisfaction vs. Employee Engagement Surveys**

The terms “engagement survey” and “satisfaction survey” are often used interchangeably, but they shouldn’t be. They are quite different – and savvy organizations that understand the difference will always want to measure levels of employee engagement over satisfaction.

Satisfied employees, meanwhile, are typically happy if things stay the same, expectations are not changed, and there is certain predictability about the work environment. They have a routine and that routine is comfortable.

While you certainly don’t want unsatisfied employees, a satisfied workforce will only get your company so far. Satisfaction simply states that you treat your employees fairly. An engaged employee, however, is one that is more committed to the long-term success of the company.

**Would You Prefer Professional Satisfaction or Engagement**

Organizations must “satisfy” employees; it is something employers do for them. Those individuals who say they are “satisfied” may or may not be actively involved in improving outcomes and looking for ways to enhance quality and improve productivity.

**How to Create Employee Satisfaction Survey Questions That Measure Engagement**

These four steps will help you make sure your survey questions are measuring employee engagement, not just employee satisfaction.

When creating an employee engagement survey, it’s a good idea work with experts.

Avoid including random questions on topics that have very little to do with the employees’ level of engagement. For example, asking about the quality of the cafeteria food and employee parking availability is hardly linked to engagement, making these types of questions superfluous.

**UNIT- 5**

**Succession Planning**

**Succession planning Meaning and Definition**

Identification and development of potential successors for key positions in an organization, through a systematic evaluation process and training. Unlike replacement planning (which grades an individual solely on the basis of his or her past performance) succession planning is largely predictive in judging an individual for a position he or she might never have been in.

Succession planning establishes a process to recruit employees, develop their skills, and prepare them for advancement, all while retaining them to ensure a return on the organization's training investment. Succession planning involves understanding the organization's long-term goals and objectives, identifying employee development needs, and determining trends.

*The continued existence of an organization over time require a succession of persons to fill key position.*

**Superannuation**: Employees retiring because they reach a certain age.

**Resignatio**n: Employees leaving their current job to join a new job

**Promotion:** Employees moving upward in the hierarchy of the organization.

**Diversification:** Employees being redeployed to new activities.

Creation of New Position: Employees getting placed in new positions at the same level.

**Current state**

To assess the current state, consider starting discussions among key decision makers and stakeholders, establishing a committee or conducting a survey.

What areas need improvement?

Is succession planning linked with the broad human resources planning process and aligned with business planning?

**Desired state**

How the representatives involve from other human resources disciplines (e.g. performance management; training, learning and development, staffing and recruitment; and employment equity and official languages) to ensure succession

# *7Steps To Succession Planning*

# 1. Get To Know Your Company’s Vision And Growth Plans

To predict the future, put away the crystal ball. Grab instead the forecasting tools your company already lives by. These include the strategic plan and detailed budget forecasts

**2. Create An Inventory Of Existing Skill Sets**

Assessing your employees is an integral part of succession planning. You need to know what storehouse of skills and knowledge you already have in-house. Then you can determine what gaps exist compared to your personnel plans.

**3. Ask People About Where They Would Like To Be**

In open, transparent succession, you invite employees to privately talk about their preferred future roles within your company. An honest conversation assists both of you in realistic ways.

**4. Evaluate Each Person’s Future Potential**

While people may tell you where they’d prefer to be assigned, you’ll need to determine whether this is practical or not. Each employee’s current skills, their motivation level, and ability to adapt and grow, must be taken into account.

**5. Inform Employees Of Their Succession Potential**

Tell high potentials that they’re ripe for the fast track. Faulty logic can drives companies to withhold information about an employees’ potential. They fear that disappointed staff who are not high potential will run for the door, or that high potential employees will act overly entitled.

**6. Groom According To Skill Sets, Desired Trajectory, And Potential**

Performance management should be geared to helping employees reach their potential. After each succession planning conversation, managers should have a list of gaps that must be closed to ensure succession can take place..

**7. Offer Retention Programs That Help Ensure Key Staff Will Stay**

Succession planning is for naught if your employees leave prematurely. All that training and potential walking out the door is cause for concern.

**Identifying Managerial positions are critical positions for Business**

The final step of critical positions is a transition activity that bridges this effort with the framework for developing workforce solutions.

**1. Document current business scenario:** The business scenario describes the immediate objectives of the organization. The reality is that while business strategy changes infrequently, business objectives can, and often do, change due to external forces

**2. Determine talent requirements:** Each business scenario has an associated set of talent requirements or key capabilities fundamental to the achievement of its objectives. In the example of an organization focusing on increasing revenues, the talent requirements might be “new-customer acquisition capabilities,”

**3. Evaluate critical positions:** Each critical position is evaluated to determine whether its profile contains the talent requirements for generating the objectives of the current business scenario

Critical positions such as sales executive or plant manager are key to our example objectives. The positions of internal auditor or IT application architect, while critical, have little impact on revenue or new-account openings.

**Identify capabilities for key areas and positions**

It is important to identify the capabilities needed for key areas and [positions](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexposition) for guiding [learning plans](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexpersonallearningplan). Capabilities may also serve as the basis for [self-assessment tools](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexassessmenttools). Moreover, knowing the required capabilities is necessary for setting clear[performance](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexperformance) expectations, assessing performance and for selection purposes. For the purposes of this guide, capabilities may consist of knowledge, skills and abilities (KSAs) or [competency profiles](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexcompetencies).

Whether your organization uses KSAs or competency profiles, it is important to incorporate capabilities for key areas and positions into [strategies](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexstrategies) for [succession planning and management](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexsuccessionplanmanage). This practice will allow you to better assess gaps and focus development efforts.

**Definition of capabilities**

For the purposes of this guide, capabilities may consist of knowledge, skills and abilities (KSAs) or [competency profiles](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexcompetencies).

**Knowledge, skills and abilities (KSAs)**

This guide defines these terms as follows:

* Knowledge is a body of information that allows a person to perform a task successfully (e.g. budgeting and accounting principles)
* Skill is an individual's level of proficiency in performing a specific task (e.g. statistical data manipulation)
* Ability is more general than skill and refers to an enduring trait or capability in performing tasks (e.g. the ability to analyze)

**Competencies and competency profiles**

Many organizations define competencies as knowledge, skills and abilities demonstrated through behaviours that result in superior job [performance](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexperformance). Some definitions include personal qualities, values or traits. Examples include interpersonal [effectiveness](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexeffectiveness), teamwork, technical ability and reliability.

A competency profile is a set of competencies typically applied to groups of [positions](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexposition) such as occupational groups (e.g. executives) or [functional communities](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexfunctiancommun) (e.g. information technology, finance). Some organizations also have a set of core competencies that are aligned with the organization's mission and values and that apply to all [employees](https://www.tbs-sct.gc.ca/gui/spgr/lexicon-lexique-eng.asp?for=hrps#lexemployee) in the organization.

**Developing their capabilities to occupy critical position in the event of exit and current incumbent**:

We all know that talent has become recognized as the key differentiator between business success and failure.

**Internal**

* What is the level of risk to the company if the position is left vacant for an extended period?
* To what extent does the position:

Drive revenue and impact bottom-line financial results?

Involve developing strategy, designing new products, or creating growth opportunities for the organisation?

**External**

* What is the current market value of the position? How has the value changed over time?
* How is the position valued by other companies?
* What is the degree of competition for qualified candidates for this position in the marketplace?
* To what extent does the position require the use of rare/unique capabilities and skill sets?

**Examples of Potential**:

* Ability to take on more
* Capable of advancement
* Possesses key leadership competencies

## 

## Identify Workforce and Leadership Gaps with Succession Planning

## Identify Critical Roles

Referring to the organization’s strategic plan, identify which roles are crucial to its future success. Certainly, senior leadership roles will be included, but don’t forget customer-facing, technical or other roles that demand a specific skillset, range of experience or knowledge that cannot be easily replaced.

**Identify “Feeder” Roles for the Critical Roles**

For each of the roles identified in Step One, think about where in the organization likely successors are to be found. In what roles are employees likely to develop the knowledge, skills and experience needed to be successful in the mission.

## Assess Current Workforce

The simplest way to begin to assess the current workforce is by interfacing with the performance management process. Ask managers to assess their staff on their potential for promotion, future career plans and retention risk along with their standard performance reviews.

**Identify Gaps**

In this step you will look both at the overall talent profile of the current organization and the specific areas which you have already identified as critical. Here are some questions to consider while examining the data to determine your strengths and risks.

**Taking up lateral hiring when there is discontinuity in the Succession Planning**

Planning for the smooth continuation and sustainability of a business which depends greatly on the availability of skilled, trained, and competent people. Human Resource (People)

**Resiliency –** The identification of your human capital and their relationship to the critical services or activities they support Critical Business

**Function –**The critical operational and/or business support functions that could not be interrupted or unavailable for less than a mandated or predetermined timeframe without significantly jeopardizing the organization

**Process Sustainment –**

Availability requirements for all assets including; People, Information, Technology, and Facilities Business Impact Analysis - process of analyzing business functions and the effect that a business disruption might have upon them

**Operational Impact –** Anticipated effect the loss of a critical function will have on the business Financial Impact – Anticipated loss of revenue that will result from the loss of a critical function

**Legal or Regulatory Impact –**

Anticipated risk of fines, penalties or loss of ability to conduct business in a smooth environment.