

Ultimate guide to talent optimization

Introduction	4
Talent optimization essentials	4
1. Talent optimization exists within business context.	5
2. Talent optimization is driven by people data.	7
3. Talent optimization must be embraced by leaders at every level.	8
4. Talent optimization protects against the four forces of disengagement.	8
Talent optimization: a four-part discipline	9
How to use this guide	10
Aptitude #1: Diagnose	11
Measure what matters.	11
1. Decide what people data to measure.	12
2. Choose your measurement tools.	14
3. Determine the right frequency.	15
Analyze objectively.	15
1. Examine the magnitude.	16
2. Determine the relevance.	16
3. Consider the breadth.	17
4. Look for repetition.	17
Prescribe improvement actions.	17
1. Determine the best course of action.	18
2. Decide how to take action.	18
3. Anticipate resistance.	19
Aptitude #2: Design	20
Select your organization’s structure.	21
1. Select an organizational structure that supports your strategy.	21
2. Update organizational structure whenever needed.	22
Evaluate your leadership team fit.	23
1. Map leadership competencies to the business strategy.	23
2. Identify senior leaders’ fit to the required competencies.	24
3. Develop and execute a plan to address leadership gaps.	24
4. Embrace a philosophy of “leaders at every level.”	25
Understand senior team dynamics.	26
Establish your culture.	26
1. Map cultural factors to the strategy.	27
2. Identify current culture fit in relation to business strategy.	28
3. Develop and execute a plan to address culture gaps.	28

Aptitude #3: Hire	30
Define and communicate job requirements.	31
1. Identify stakeholders who know about the job.	31
2. Define the job.	32
3. Create a compelling job advertisement.	32
Equip your leaders to land top talent.	33
1. Assemble the interview team.	33
2. Collect objective data about candidates.	34
3. Prioritize which candidates to interview.	34
4. Conduct candidate interviews.	34
Predict new team dynamics.	35
1. Understand how a candidate compares to existing team members.	36
2. Predict changes to current team dynamics.	36
Determine candidate cultural fit.	36
1. Ensure candidate fit with the organization.	37
2. Set candidate expectations regarding culture.	38
Aptitude #4: Inspire	39
Create new jobs and career paths.	40
1. Identify new roles needed as your organization grows.	40
2. Create compelling career paths and refresh job roles.	40
3. Communicate advancement opportunities.	41
Develop your leaders.	42
1. Create leader self-awareness.	42
2. Meet the needs of others.	43
3. Give performance feedback within business context.	43
Create high-performing teams.	44
1. Consider each team as a mini-organization.	44
2. Create awareness of team members similarities and differences.	45
3. Create flexibility and the ability to adapt to change.	46
Reinforce your culture.	47
1. Repeatedly communicate your cultural norms.	47
2. Take action to address conflicting behaviors.	48
3. Encourage employee recognition of culture champions.	48
4. Reward desired behaviors to reinforce the culture you want.	48
Conclusion	50

Introduction

As a business leader, it's your job to make sure your company puts your talent into the optimal position to produce your desired business results and beat the competition. The essence of leadership is aligning employees with business strategy—and that begins with taking an intentional and data-driven approach to getting the people part right.

Learning goals for this section

- Know the definition of talent optimization.
- Understand the relationship between business strategy, business results, and talent optimization.
- Know the four talent optimization essential truths.
- Be able to identify the four aptitudes of the talent optimization discipline.
- Identify the activities that link to each of the aptitudes.

Too often, when execs hear the term “people strategy,” they shrug off the responsibility and send it down the hall to human resources. But when it comes to designing and optimizing your most important (and most costly) business asset—your people—passing the buck is also passing up your biggest opportunity to create a truly great organization.

So how do you assemble world-class teams? That's where having an objective methodology and system for optimizing talent comes in.

Talent optimization utilizes quantitative data and analytics so you can comprehend job requirements, identify the best candidates, understand the team dynamics needed to accomplish business goals, and manage employees in a way that pushes everyone to the top of their game.

Bottom line: You need to roll up your sleeves and get *really good* at understanding and capitalizing on your people data. It's the best path to maximizing productivity—and crushing the competition.

Talent optimization essentials

There are four essential truths of talent optimization.

1. Talent optimization exists within business context.

Talent optimization doesn't happen in a vacuum. It's informed by **business strategy** and it produces—or *fails* to produce if not implemented—desired **business results**.

Most businesses have some form of a **business strategy**. Many times, this strategy reads out in technical or functional terms, and the people part is missing or disconnected. Using a talent optimization approach, your business strategy provides context that will inform your [design](#), [hire](#), and [inspire](#) efforts.

The business strategy is the reference you'll measure all key actions and decisions against. Because of that, strategy is the starting point for talent optimization: Anything you do relative to people must be aligned with the business strategy.

It's best when employees connect with the business strategy at an emotional level—directly or indirectly. Mechanisms exist to create this emotional bond. For example, mission statements explain the organization's reason for existence, while vision statements paint an image of the ideal state the organization wishes to achieve. And the strategy, which defines the way the organization will succeed, also requires a dose of aspiration and a personal connection.

Let's be clear: Talent optimization isn't about developing a new business strategy. Many professional firms, universities, and experts are dedicated to creating successful business strategies. Talent optimization is about translating an organization's well-designed strategy into business results through a human lens.

To facilitate this translation, the business strategy should meet three criteria. It must be:

- Explicit and clear
- Agreed upon
- People-centric

Follow these best practices to make your business strategy the starting point of your talent optimization journey:

1. Make your business strategy explicit and clear.

Your strategy must be documented to be actionable. Even a small organization needs to articulate its strategy in the form of fundamental objectives and an operating model. This is a prerequisite for any company that plans to share the strategy with other executives, employees, partners, and customers—or use it as a guide for making key decisions.

The strategy communicates the key aspects of why and how the organization operates, and includes:

- Objectives the organization wants to achieve
- Its products, services, audience, users, or customers
- How the organization competes or operates in its segment
- Financial resources required to achieve the objectives and support the operating model

Is the organization focused on innovation? Is it focused on efficiently delivering standardized products and services at scale? Is it focused on a small number of segments it wants to dominate through execution excellence?

There are many tools and frameworks leaders can use to structure a strategic plan such as OGSM (objective, goals, strategies, measures), or the balanced scorecard. Regardless of the framework you use and the extent of your effort, the strategy must be expressed in simple terms and be easy to understand.

2. Ensure stakeholders agree on the strategy.

Business strategy agreement shouldn't be assumed. Even in smaller organizations, co-founders or leaders may have different views on what the strategy should be—and may even have differing views on what the *current* strategy is. Disagreement on something as important as business strategy can cause an organization to lose momentum and become consumed by arguments, indecisive leadership, wasteful resource allocation, and disengaged employees.

Diversity of opinion is unavoidable; actually, it's healthy because a strategy should account for dynamic changes in the environment. It shouldn't be developed "by committee" in a vacuum. But it's critical that the key elements of the strategic plan are agreed upon. Successful talent optimization requires strategic clarity. Key stakeholders need to discuss and resolve any differences in opinion. Senior stakeholder buy-in means they'll own the strategy and easily adapt it as circumstances demand.

3. Express the strategy in people terms.

A business strategy generally focuses on business goals and measures such as go-to-market approach, operational efficiencies, asset investments, and growth plans. It may include people-related measures like hiring plans or evolution of the total number of employees, but it rarely addresses in detail the various elements of talent optimization.

As you'll see in the diagnose section, multiple types of data are needed to manage talent: Behavioral profiles, employee engagement, and job performance are just three. Translate your business strategy so it's people-centric and matches the people data your company uses to manage its talent.

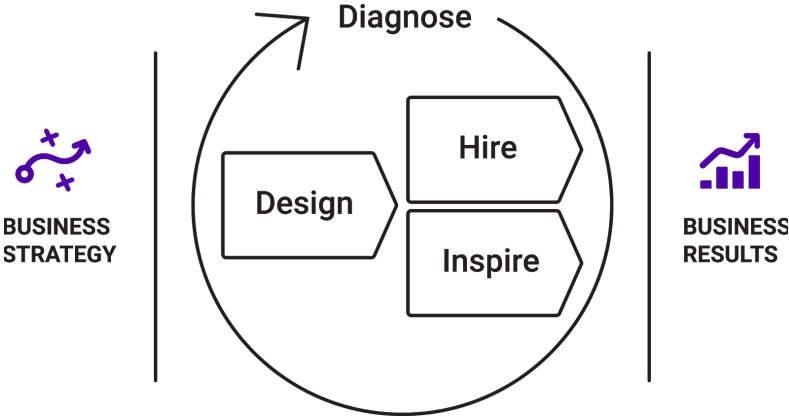
For example, if your strategy calls for strong innovation capabilities and rapid introduction of new offerings in the marketplace, you want your employees to have a higher risk tolerance, to be

decisive, and to be comfortable with uncertainty. Add a people dimension to your business strategy by expressing it in terms of its talent requirements.

When **business results** fail to meet expectations, talent optimization gaps are the most likely culprit. If you've skipped steps in your design, hire or inspire efforts, your people won't be able to work together at their best. This will create a drain on the organization and muck up how the work flows through it.

Talent optimization is essential for bringing strategic goals to fruition in the form of business results. For example, if your business strategy is to innovate and create new products, you'll want to design your organization's executive team to include leaders who are innovative and not averse to risk. Additionally, you'll want to hire the best candidates for open positions, and you'll want to ensure that individuals, managers, and teams are executing at their full potential. This is the only way your organization can produce optimal business results.

Here's a visual to help you understand how business context wraps the talent optimization discipline:



2. Talent optimization is driven by people data.

Talent optimization is driven by people data. When business leaders measure people data and apply the resulting insights, they're empowered to make objective decisions rather than subjective ones. There are a variety of tools and techniques talent optimizers can use to collect and measure people data.

While it's true that people are complex, this is no excuse to just accept the status quo. With the right people data in hand, a talent optimizer knows that the way people behave and interact in organizations is in fact predictable given the business context. What matters most is to take an objective, systematic approach to understanding people in organizations and using the resulting insights to make improvements to the way they work.

3. Talent optimization must be embraced by leaders at every level.

Talent optimization won't work if it's only implemented in the C-Suite. While talent optimization must begin with buy-in at the top (executives will be the first messengers and champions of talent optimization) it can't end there.

Organizations that roll out talent optimization must adopt the mindset of [leaders at every level](#). This means that leadership extends beyond VPs and directors to first line managers and even individual contributors. Anyone in the business can and should be regarded as a leader, whether that means they manage down, up, across—or self-manage.

4. Talent optimization protects against the four forces of disengagement.

Employee disengagement is a widespread issue that causes organizations to lose billions of dollars to poor productivity, absenteeism, safety issues, poor client service, and toxic workplace cultures. By some measures, more than 70 percent of U.S. employees are disengaged.

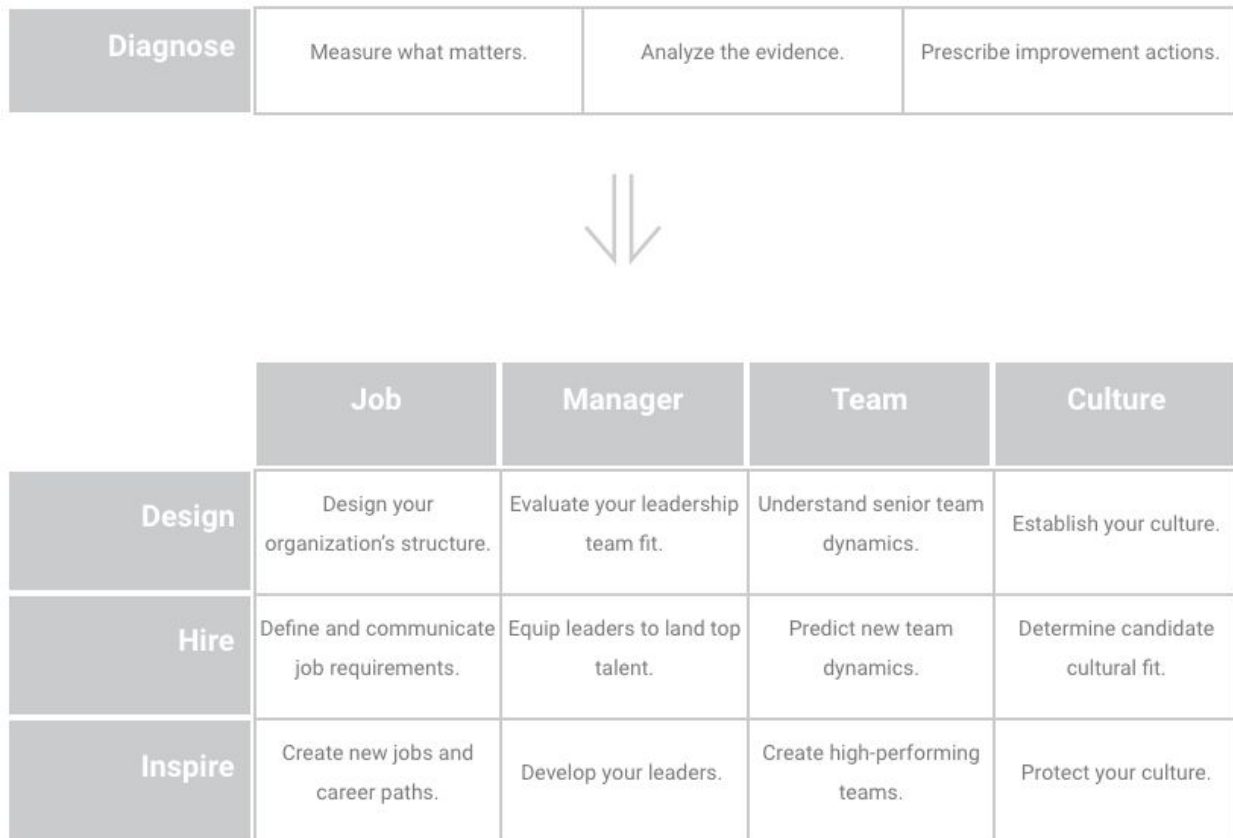
Disengagement causes employees to withhold “discretionary effort” and to deliver the minimum amount of work to stay employed. Inevitably, when employees don't give it their all, business results suffer.

Four factors cause disengagement:

- *Misalignment with the job*: Poorly defined positions, sloppy hiring processes, or evolving business needs create a mismatch between employees and their roles. Lack of job fit directly impacts motivation and productivity.
- *Misalignment with the manager*: The relationship between employees and their managers is the most critical contributor to engagement, yet many managers are poorly equipped or not trained to effectively understand their employees' individual needs. They struggle to communicate with and motivate their employees.
- *Misalignment with the team*: Team-based work is more critical than ever, yet poor communication, insufficient collaboration, and inability to manage the tensions inherent to teamwork continue to extract a massive tax on productivity and innovation.
- *Misalignment with culture*: To be productive and engaged, employees need to feel they belong. When they feel out of tune with their organization's values, or when they lose trust in their leadership, their own performance suffers, and they can create a toxic work environment that undermines productivity.

Optimizing talent means always considering these four factors: **job, manager, team, and culture**. An optimized organization keeps these factors top of mind with every people decision and action e.g. when it measures employee engagement, when it selects an organizational structure to support its business strategy, and when it expands its workforce.

The image below demonstrates how these factors align with Design, Hire, and Inspire.



Talent optimization: a four-part discipline

Talent optimization is a four-part discipline detailing what's required for aligning your business strategy and your people strategy so you can achieve your desired business results. At its core is the collection, analysis, and application of people data.

Here are the four aptitudes you must master to nail talent optimization:

- 1) **Diagnose**: This is where you'll measure critical people data, analyze that data in the context of your business, and prescribe remedies as needed.
- 2) **Design**: This is where you'll create and continuously evolve your people strategy.

- 3) [Hire](#): This is where you'll use talent optimization insights based on people data to hire top talent and build cohesive teams.
- 4) [Inspire](#): This is where you'll use data to drive important employee-oriented activities such as career pathing, maintaining organizational culture, and managing people and teams.

How to use this guide

This guide will walk you through the four aptitudes that make up talent optimization. Each aptitude includes three to four activities (e.g., measure what matters). Each activity is supported by actions you should take to implement talent optimization within your organization.

[Diagnose \(3\)](#)

[Design \(4\)](#)

[Hire \(4\)](#)

[Inspire \(4\)](#)

You can consume this guide in various ways. Read it cover-to-cover or jump in at any point that's of particular interest to your organization. Many leaders, after completing the [maturity model assessment](#), want to work on improving the areas they scored lowest in. It's perfectly okay to start there. There's no right or wrong way to consume this information. What matters is that you absorb what you read—because if you can grasp these concepts and implement them, your organization will soar to new heights.

Guide features

- **Learning objectives:** The guide includes learning objectives to guide your reading and help you study for the talent optimization certification exam.
- **Hyperlinks:** You'll find hyperlinks throughout the guide so you can easily navigate from one aptitude or activity to another.
- **Checkboxes:** The guide can function as a workbook for self-guided study and practice. As you apply your new insights within your organization, use the checkboxes to stay on track.

Aptitude #1: Diagnose

Diagnose is part one of the four-part talent optimization framework. This is where you'll measure critical people data, analyze that data in the context of your business, and prescribe remedies as needed.

Learning goals for this aptitude

- Understand why diagnosis is important to talent optimization.
- Be able to list and describe the three actions associated with the diagnose aptitude.
- Use the associated maturity model to identify an organization's level of maturity for the diagnose aptitude.

Why diagnosis is important to talent optimization

Consider how a medical doctor uses reliable lab results to measure a person's overall health, evaluates the data in the context of any problems, and acts to correct any issues. A talent optimizer employs a similar methodology. Best practice for a business is to identify potential problems proactively by diagnosing preventatively; this is what smart organizations do. But there will always be gaps between what you think will happen and what actually happens. This is why companies often diagnose in response to problems (e.g., "not meeting sales goals" or "high turnover.")

Diagnose is a method for pinpointing the root cause of gaps—your underlying people problems—and making strategic changes or changes to day-to-day execution. The insights you uncover in diagnose typically point back to the other three aptitudes of talent optimization: [design](#), [hire](#), and [inspire](#). Businesses that collect and analyze their people data and then make necessary adjustments proactively will enjoy a more productive and engaged workforce; instead of letting problems build up and fester, addressing them quickly shows employees they care.

The diagnose aptitude is composed of three activities that repeat in a loop

- [Measure what matters.](#)
- [Analyze the evidence.](#)
- [Prescribe improvement actions.](#)

Measure what matters.

Learning goals for this activity

- Understand why measuring what matters is important to talent optimization
- List and describe the three steps of the measure-what-matters activity
- Identify common examples of people data

- Describe how an organization should go about selecting the right measurement tools
- Explain how to determine the appropriate frequency of measurement

Why measuring what matters is important to talent optimization

If diagnose is similar to an annual physical exam with your doctor, the activity of measuring is having bloodwork done. Just as a doctor would order blood tests to measure cell counts, a business should collect and measure its people data. Most businesses regularly monitor key business results whether they be sales figures, customer satisfaction ratings, or profits and losses. These play an important role in talent optimization as they're a critical part of your [business context](#). Here, you'll complement those business metrics with important people data such as behavioral styles, culture, employee engagement, and job performance. Measuring people data as rigorously as you measure business data ensures you have the information you need to uncover the people problems that are the root cause of your business problems.

To master your measurement of what matters, follow these simple steps

- Decide what people data to measure.
- Choose your measurement tools.
- Determine the right frequency.

1. Decide what people data to measure.

Step one of measuring is deciding what people data you want to measure. Common examples of people data include:

- **Behavioral profiles:** This data identifies someone's natural drives and preferences. It helps you hire people who are suited for a job and manage them appropriately, which can impact engagement, performance, and business results.
- **Cognitive abilities:** This data is typically used during the hiring process to help you identify people who learn and adapt to change at a rate that's suited to the job and your company.
- **Employee engagement:** Engagement data is collected directly from your employees and describes how they feel about working for you. This data is helpful in diagnosing misalignment between employees and their job, their managers, their colleagues, and your organization.
- **Job performance:** This data identifies how well your employees are moving your initiatives forward and pinpoints those who are struggling. Job performance data can also help you identify which behavioral drive is shared by all top performers.
- **Organizational and team culture:** This data identifies your organization's values and norms. It describes how it feels to work at your organization and points to which behaviors and attitudes are rewarded.
- **Employee sentiment:** This data includes the experiences of employees at work. It's often collected through a performance feedback method or during exit interviews.

If you're diagnosing preventatively, you'll want to start with the people data that's easiest to collect. For example, you could gather data on culture pretty easily by administering an employee survey using an online survey tool like SurveyMonkey.

If you're diagnosing in reaction to a problem, start there.

If sales leads are down, look at the problem from a talent perspective. Have you [hired the right people](#) to do the job? If you haven't collected critical data about the requirements of the role and the candidates' behavioral or cognitive profiles, you can't objectively answer this question.

Are your sales professionals disengaged? Is there toxicity of culture at the team level? If you have a business symptom like "not meeting quota," the right people data will let you look under the hood to see what's really going on.

It's also important to collect people data for everyone in the organization. This way you'll already have the data you need should a problem arise. For example, let's say you notice a drop in a star sales representative's performance. You also know that person was recently assigned a new manager. Having behavioral data about each employee on hand will accelerate your ability to diagnose and remedy any friction between them.

Best Practice: Conduct a talent audit

In most organizations, perceptions of job performance vary among executives, directors, and managers. One manager may believe that if an employee is completing their job duties to the letter, this is excellent performance. Another manager may set a much higher bar to earn an excellent rating. Where there are differences in performance expectations, hidden frustrations take hold.

A talent audit is a transformative exercise that can surface these differences and promote constructive conversations among senior leaders and managers about what constitutes satisfactory, great, and excellent job performance across the entire company or business unit—not just within a given department or team. This process often highlights an employee who may be performing well as an individual but who's not meeting the needs of one or more other departments or teams. This person's manager may mistakenly think the employee is a high performer even though they're undermining the performance of the broader team.

To conduct a talent audit, senior leaders should choose a group of managers who collectively have a broad view across the company or business unit; ideally the total span of employees reporting to these managers should be 100 or fewer. Provide a rubric that provides an empirical scale (e.g., 1-5) with performance descriptors per rating. Instruct the managers to individually and confidentially rate all employees they've worked with directly—both inside and outside their own department or team.

When a senior, trusted talent optimizer analyzes the results, new insights and observations will surface. Look for situations where ratings were universally high or low or where there were surprises. Share specific and anonymous views of select results confidentially with managers. The exercise is eye opening for all involved.

You're likely to find that every manager knows what your organization's stars look like. As a finance leader, you may feel that nobody's going to acknowledge your star Pam who works in accounts payable. But as a result of the audit, you may be amazed at how many people Pam has impressed in her day-to-day interactions. You may be equally surprised to see how many managers don't rate your key direct report Sue as highly as you do. This opportunity to align and reflect can change a company's trajectory.

Note: A talent audit is *not* about individual performance evaluations. Only managers make hiring and termination decisions, so managers' perceptions and alignment are the focus of the talent audit. Don't make the audit about individuals; be clear that the exercise is about aligning on performance standards, identifying issues in current hiring and development processes, and helping managers prioritize cross-functional demands.

If you've never conducted this type of talent audit before, know that the first audit is a significant effort—one that's painful, scary, frustrating, and eventually enlightening. For maximum results, keep the group smaller than 150-200 people, otherwise the managers who participate will have too few or too superficial interactions with the group. Resist any temptation to gain manager agreement on the rating of any individual. The talent audit is designed to highlight trends and disconnects and to create alignment. To support this goal, limit the use of employee names as much as possible.

- Check this box if you've decided which people data you want to collect.

2. Choose your measurement tools.

Step two in measuring what matters is deciding what tools you'll use to collect the people data you've chosen. There are a wide variety of tools available to you. Some are lightweight, homegrown, and/or inexpensive—e.g., conducting exit interviews. This is an important way to collect employee sentiment data from those employees who have chosen to leave your organization.

Other tools are much more sophisticated. For example, assessment providers have created tool sets that measure behavioral profiles, cognitive abilities, or employee engagement. These tools support more advanced activities of talent optimization like [predicting new team dynamics](#) and [developing your leaders](#).

Using your people data inventory from step one above, determine the easiest, fastest, and most cost-effective way to collect that data. Evaluate your resources and go with the tools that fit your specific needs.

- Check this box if you've chosen a tool for each type of people data you want to collect.

3. Determine the right frequency.

How frequently you need to measure your people data depends on what you're measuring and how dynamic your business environment is.

Take behavioral profiles as an example: Behavioral profiles tend to be stable over time. If you're looking at a risk-averse professional who is highly analytical, that person will fit the same behavioral profile five years down the road—so there's no need to measure behavioral profiles on a monthly basis. However, if you're measuring employee engagement—something that varies based on factors including job fit, manager fit, team fit, and culture fit—you'll want to measure more often.

In a stable environment, you'll measure less often than you would in an environment where people change jobs all the time; constant change means engagement and performance will fluctuate.

- Check this box if you've determined how frequently you'll measure each type of people data.

Analyze objectively.

Learning goals for this activity

- Understand why analyzing objectively is important to talent optimization.
- List and describe the four considerations that help you prioritize which problem to tackle first.
- Recognize the series of questions in the decision tree that help you focus your analysis efforts
- Know some recommendations for how to select data analytics tools that help you uncover trends and patterns.
- Given some sample evidence, be able to prioritize problems in light of the four considerations.

Why analyzing objectively is important to talent optimization

Returning to our medical example, analyzing the evidence is akin to a doctor determining how to solve the problem of high cholesterol by examining blood testing results. In business terms, this

is where you'll look at the people data you've collected and generate a hypothesis based on your expertise.

As always, you must analyze your data within your business context. For example, you may conduct a leadership gap analysis that evaluates your leadership team's execution style and abilities relative to your business strategy. Or you may need to work backward from a poor business result such as a slip in production quality. Remember that in business, nearly every problem is a people problem. Analyzing people data objectively uncovers issues that aren't obvious, which allows you to quickly and effectively take action.

Your analysis might result in a pile of corrective actions you need to take. Don't try to solve everything all at once. You need to prioritize. When deciding which problem to solve, take the following steps:

- Examine the magnitude.
- Determine the relevance.
- Consider the breadth.
- Look for repetition.

1. Examine the magnitude.

Some problems are bigger than others, and examining the magnitude of each allows you to separate the major problems from the minor ones. Let's say your engagement score comes back and a mere 10 percent of your customer service reps are "highly engaged." This is a very low score. You'll want to act fast before turnover becomes a major issue.

- Check this box if you've considered the magnitude of a given people problem.

2. Determine the relevance.

Relevance is where you'll ask yourself "Does this problem really matter?" Is a suspected people problem really affecting business outcomes or employee welfare? If not, tackle others first and circle back to this one later.

Another aspect of relevance deals with not the *number* of employees affected but the *caliber* of those affected. If your high-performing employees alert you to a problem in an engagement survey, prioritize that issue ahead of another that was flagged by your lower performers. High performers who are disengaged are flight risks; work quickly to retain them.

- Check this box if you've considered the relevance of a given people problem.

3. Consider the breadth.

Breadth refers to how widespread a problem is. An average employee engagement score may not be concerning if it reflects a small percentage of the overall company, but if 90 percent of employees are less engaged than you'd like, this may be a systematic problem. This is something you must prioritize.

- Check this box if you've considered the breadth of a given people problem.

4. Look for repetition.

Look at your data and try to find repetition. Look for patterns or a theme. Is this a problem that happens again and again? Are low engagement scores more common for newer employees? Does performance slide when a manager's team grows to have too many direct reports? If so, you'll want to figure out the "why" and address it in short order.

- Check this box if you've looked for a pattern related to a given people problem.

What Analytic tools

You may quickly find yourself overwhelmed with the volume of people data in your organization. Organizations just starting to analyze people data might choose to use a simple spreadsheet program that includes analysis tools such as Microsoft Excel or Google Sheets in order to aggregate data and find patterns.

Smart organizations typically use more sophisticated analytics programs such as Domo or Tableau or a purpose-built talent optimization platform, which uses advanced algorithms to automate much of your analysis.

No matter what tool you choose, thoughtful analysis will help you surface underlying trends and patterns to help you make better, more data-driven decisions.

Prescribe improvement actions.

Learning goals for this activity

- Know why prescribing improvement actions is important to talent optimization.
- Be able to list and describe the three steps of prescribing.
- Know some questions to ask yourself to help you identify prescriptive actions.
- Recognize best practices for introducing change into an organization.
- Describe the role people data can play in anticipating resistance to change.

Why prescribing improvement actions is important to talent optimization

Prescribing improvement actions is where you plan the actions you need to take to correct the issues you discovered upon measuring and analyzing your talent metrics. Using our medical example again, prescribing is where the doctor would say “Take this blood pressure medication.” Companies that excel at talent optimization aren’t afraid to make needed organizational changes—even if doing so requires a great amount of effort and is met with resistance. It’s the only way of righting the ship and getting the results you want.

Prescribing involves the following steps:

1. Determine the best course of action.
2. Decide how to take action.
3. Anticipate resistance.

1. Determine the best course of action.

The most common mistake that companies make when prescribing action is to not take any action at all. As a talent optimizer, set a goal then determine the best course of action. There will be several paths you could take. Ask yourself, “What are three strategies I could use to reach my goal?” Look at all your options and choose the most feasible tactic. Once you’ve picked a path, ask yourself, “What are five things I could do in the next 24 hours to get where I need to be?”

- Check this box if you’ve determined the best course of action following your analysis.

2. Decide how to take action.

Now that you have a list of action items, it’s time to make a rollout plan. Decide who should work on what. You’ll also want to determine whether you can fit any of these items into your existing processes; that’s the easiest route.

For example, if an individual’s engagement is low and your managers already conduct regular 1:1 sessions, they could utilize that time to investigate disengagement—and follow up with coaching possibilities or even a job redesign.

But sometimes you won’t be able to fit the remediation into your existing processes, and you’ll have to introduce something new. Whenever this is the case, be sure to schedule a team or company-wide meeting to discuss any changes you seek to make. For example, if you want to modify an aspect of your company culture, such as being more conscious of quality, that will require people to do things a new way. A special meeting to introduce this change will be most effective.

- Check this box if you’ve decided how you will take action for your chosen improvement options.

3. Anticipate resistance.

When you need to make a change that will impact the people in your organization, communicate the “why” as early as possible. Change is hard and people have emotions, so transparency is critical. Why are you making these changes? What results do you expect to see? What happens if you maintain status quo?

Making needed transformative changes can be daunting. But as a leader, you owe it to your employees to take decisive action for the good of the company. Get together with other senior leaders to pre-identify risks and areas where you anticipate you’ll experience resistance. People data helps you here; it allows you to develop communications and delivery methods tailored to the needs of your employees. This way, the details behind *why* you’re making the change will come across in a way that resonates with everyone.

- Check this box if you’ve prepared for resistance when making changes to your organization.

People problems don’t just crop up on their own; they usually point to some problem within [design](#), [hire](#), and [inspire](#). Let’s take a look at those three aptitudes next.

Aptitude #2: Design

Design is part two of the four-part talent optimization discipline. This is where you'll create and continuously evolve your people strategy.

Learning goals for this aptitude

- Understand why design is important to talent optimization.
- Be able to list and describe the four activities associated with the design aptitude.
- Use the associated talent optimization maturity model to identify an organization's level of maturity for the design aptitude.

Why design is important to talent optimization

Many companies cobble together employees without considering team dynamics, and they appoint leaders who might be excellent individual contributors but who lack the self-awareness and/or motivation needed to effectively inspire employees. When teams and leaders are designed ad hoc like this, results suffer. But when the design of the organization, its leadership, its culture, and its team dynamics are approached intentionally and strategically—supported by people data—companies have a much better chance of achieving their desired business objectives.

The design aptitude is composed of four activities:

1. [Select your organization's structure.](#)
2. [Evaluate your leadership team fit.](#)
3. [Understand senior team dynamics.](#)
4. [Establish your culture.](#)

Select your organization's structure.

Learning goals for this activity

- Understand why selecting the right organizational structure is important to talent optimization.
- Be able to list and describe the two steps you can take to choose your organization's structure.
- Be able to match a business strategy to an appropriate organizational structure.
- Recognize common steps to take when selecting an organization's structure.
- Identify best practices for how frequently to update your organizational structure.

Why selecting your organization's structure is important to talent optimization

Organizations that follow the talent optimization discipline have structures that are purposefully chosen and carefully planned—not merely a result of uncoordinated forces and influences that build up over time. Business strategy provides the context for effective organizational structure. For example, if your business strategy requires innovation and collaboration you'll need an organizational hierarchy that's flat, with little middle management, so that communication will flow freely. Additionally, the behavioral requirements of roles in this type of organization will favor taking risks and processing information quickly.

To effectively choose your organization's structure, take the following steps:

1. Select an organizational structure that supports your strategy.
2. Update your organizational structure whenever needed.

Keeping these two best practices in mind, let's look at how you can develop your organization's structure from a talent optimization standpoint:

1. Select an organizational structure that supports your strategy.

It doesn't matter how good your people are or how hot your industry is. If you don't get your organizational structure right, you're setting yourself up to fail.

The right organizational structure is one that's aligned with your business strategy. For example, a small startup with a strategy that's focused on competitiveness, customer intimacy, speed, and intensity will need an operating model that enables rapid decision-making. This type of organization requires a flat structure with relatively few middle managers.

By contrast, a large organization in a highly-regulated environment may need a more hierarchical structure with several layers of management to maintain compliance.

Common steps when selecting an organization include:

- Create new jobs.
- Consider how jobs relate to one another.
- Define span of control.
- Define workflows and systems.

Don't worry about *who* you need to put in each role in this initial stage; that comes later on as part of [hire](#) and succession planning.

- Check this box if you've selected an organizational model that supports your strategy.

2. Update organizational structure whenever needed.

Most companies treat setting an organizational structure as a one-time event, triggered only by an exceptional circumstance—like an acquisition, a new product, or a division that has grown to a point where it can't keep operating successfully as is.

But you should see organizational structure as an ongoing practice intended to constantly anticipate and adapt your company's structure along with its natural evolution. Just like individuals, organizations evolve to adapt to change. There's a reason why "organizational behavior" is a term taught at leading MBA programs: Different organizations and structures influence different behaviors among employees. Great leaders understand this and they proactively manage their organizational structure and use it as a lever for change.

You might already be asking: Are we pursuing the right strategy? Do we have the right people in place? But you should also be asking: Do we have the optimal organizational structure?

It's not uncommon for companies in high-velocity environments to revisit and adapt their organizational structure twice a year or more. Even in the most stable industries, assuming your structure should never change could stunt your growth.

- Check this box if you update your organizational design whenever needed.

Diagnose tells you when it's time to update your organizational structure.

Changes in organizational structure are often proactive and planned. But other times you'll need to update your organizational structure in response to a problem. For example, a high-performing, highly engaged department starts to struggle—job performance or engagement data is slipping. This may reflect some change in the business environment that now requires you to update your organizational structure.

Evaluate your leadership team fit.

Learning goals for this activity

- Understand why evaluating leadership abilities is important to talent optimization.
- Be able to list and describe the four steps to take to ensure effective leadership.
- Describe how you can identify leadership competencies that map to your strategy.
- Recognize some approaches you can take to fill a competency gap.
- Know why it's important to promote a philosophy of leaders at every level and be able to describe an "agile" leader.

Why evaluating leadership abilities is important to talent optimization

The execution of a given business strategy will require certain leadership abilities. For example, an organization that seeks to increase quality and predictability will require executives who are able to design systems and processes, communicate effectively, and coordinate complex cross-functional initiatives.

A senior leader in an organization will naturally be proficient in a given leadership style based primarily on their behavioral style. For example, a highly extroverted leader may naturally be adept at collaboration and persuading others. That same executive may need to develop leadership abilities that don't come as naturally, such as an ability to design complex systems. Quantitative tools such as surveys, skills inventories, and strategy maps give context to a leader's behavioral profile and abilities.

To ensure effective leadership for your organization, you must:

1. Map leadership competencies to the business strategy.
2. Identify senior leaders' fit to the required competencies.
3. Develop and execute a plan to address leadership gaps.
4. Embrace a philosophy of "leaders at every level."

1. Map leadership competencies to the business strategy.

Remember that a core tenet of talent optimization is the need to take an objective, data-driven approach to aligning people with the business context, and this starts with mapping leadership competencies (like *managing change* or *making decisions*) to your business strategy.

For example, if your organization's strategy calls for innovation, competencies around *leading for the future* or *leading through agility* will be critical. By contrast, a strategy that emphasizes command and control may require leadership capabilities such as *leading quality initiatives* or *leading through systems thinking*. The leadership competencies required to build and maintain a fluid organization are quite different than the leadership competencies suited to slowly developing, consistent environments.

To create your map, start with each key initiative or strategic activity that's included in your strategy. Next, identify the specific leadership skills and behaviors required to successfully execute the activity. Now you have an inventory of the needed competencies required for strategic success.

- Check this box if you've mapped desired leadership competencies to your business strategy.

2. Identify senior leaders' fit to the required competencies.

The next step is to evaluate which competencies your senior leaders have—and which competencies they'll need to develop to execute the business strategy.

Again, it's important to take a data-driven approach here. You can measure the leadership abilities of your senior leaders by using some combination of personality assessments, proficiency ratings from C-level executives and peers, or 360 reviews. What's most important is to evaluate this data in the context of the leadership abilities dictated by your chosen strategy.

Ideally your senior leaders will fit your desired leadership competency profile, but you are likely to find gaps relative to the organization's leadership requirements.

- Check this box if you've identified your senior leaders' fit to the required competencies.

3. Develop and execute a plan to address leadership gaps.

When you identify gaps between the leadership abilities needed and those present in an individual senior leader or a group of senior leaders, you must turn your attention to closing those gaps.

First, it's possible for senior team members to develop their leadership abilities. Self-awareness and willingness to grow will often allow senior leaders to avoid stagnation or negatively impacting company results. A senior team member who's adept at taking a structured, systematic approach when working with customers may be able to develop a similar ability when designing internal controls and methods. It's important to know that people can stretch and grow through self-awareness and deliberate practice. However, if a strategy calls for specific abilities and a leader is unwilling or unable to address this need using the approach above, then they should be removed from the team.

One way to close a gap on the senior leadership team is to purposefully hire a new senior team member. For example, a leadership team may be staffed with innovative, customer-centric executives. If this team is lacking executives who have a natural ability to develop systems and

processes, these may be required qualities of an incoming executive such as a senior member of the finance team.

If there's no opportunity to add a new team member who has a missing leadership ability, another option is to delegate initiatives to less senior team members. Continuing the example, initiatives related to systems and processes may be best led by a senior manager "a level down" from the executive team. In this case, the executive team would need to empower the senior leader and also determine how best to work with this individual to ensure success.

- Check this box if you've developed a plan to address leadership gaps.

4. Embrace a philosophy of "leaders at every level."

While some organizations reserve the term *leader* for its most senior members, this is too limiting. The better aim is to have leaders at every level of the organization. While the scope of leadership may be more limited for middle and first-line managers, their opportunity and responsibility to lead are the same. Even individual contributors should regard themselves as leaders since they influence the work to be done and those around them.

There are three primary reasons for striving to create leaders at every level. First, even the most adept senior leaders aren't able to scale the business on their own; they need lower level leaders to reinforce their intent. Second, a leader may exit the organization; this will create a leadership void that must be filled. Finally, developing future leaders will create higher levels of employee engagement and leadership readiness as the organization evolves.

- Check this box if your organization believes in having "leaders at every level."

The importance of leadership agility

The concept of agile leadership is becoming increasingly important. Agile and flexible organizations are better suited for—and positioned to take advantage of—changing situations like market forces or technological advances.

As a leader, you must be willing and able to be flexible in terms of your leadership style and methods—and so must the rest of the leaders in your organization. Leaders are sometimes called on to direct multiple groups of contributors simultaneously, and that means they need to find ways to effectively engage with different personality types.

Agile leaders flex themselves to meet the needs of their teams while maintaining steady progress toward the task at hand and the company vision.

Understand senior team dynamics.

Learning goals for this activity

- Know why understanding senior leadership team dynamics is important to talent optimization.
- Be able to list and describe the four steps that promote effective senior leadership.

Why understanding senior leadership team dynamics is important to talent optimization

Your senior leadership team must work well together to execute your strategy, and the best way to ensure team synergy is by understanding team dynamics. Having an awareness of what each leader is good at, and where each leader might need to stretch and develop new skills, is critical. When everyone on the leadership team has this awareness, individual and team productivity blooms.

A well-functioning senior team is also key to establishing your culture and influencing your organizational behavior. When the team at the top takes decisive action and communicates well among themselves—when they demonstrate self-awareness and a willingness to grow—they set the tone for the rest of the organization.

For your senior leadership team to be as effective as possible, you must:

1. Consider the senior team as a mini-organization.
2. Create awareness of senior team member similarities and differences.
3. Have senior team leaders monitor and manage team culture.
4. Create flexibility and the ability to adapt to change.

In the inspire section of this guide, we'll talk about [developing self-awareness in leaders](#) at all levels of your organization; refer to that section to implement the four best practices listed above. To get your whole organization's commitment and full effort, self-awareness must start at the top.

Establish your culture.

Learning goals for this activity

- Understand why establishing organizational culture is important to talent optimization.
- Be able to list and describe the three best practices that will align culture to business strategy.
- Be able to map a given business strategy to appropriate values and behaviors.
- Describe some recommended approaches for closing the gaps between current and desired culture.

Why establishing organizational culture is important to talent optimization

Any senior team should view establishing their company culture as one of their most important activities as leaders. Culture is a result of deliberate, intentional action. Not only should an organization's structure have tight alignment with the organization's business strategy, but a purpose-built culture should also be consistent with that strategy. Culture, along with organizational structure, is a lever that the most successful leaders use to drive performance. Leaders can purposefully shift an organization's culture by modeling desired behaviors.

Organizational culture can either help or hinder the way your employees identify with your company and its mission. Organizational culture represents your business's core values, rewarded behaviors, and, ultimately, performance drivers. Culture plays a significant role in driving the level of employee engagement. When employees don't feel connected to your company culture—or your culture is toxic or non-existent—they disengage. Workers who aren't in tune with your company culture, values, or leadership will never feel like they belong, and because of that disconnect, they'll never put in discretionary effort or go the extra mile to help your business succeed. Because of this, smart organizations actively manage their culture.

Follow these three best practices to create a culture that aligns to your business strategy:

1. Map cultural factors to the strategy.
2. Identify current culture fit in relation to business strategy.
3. Develop and execute a plan to address culture gaps.

1. Map cultural factors to the strategy.

This part is simple: A positive culture is one whose core values align with the business strategy. You have to *decide and choose* which core values and behaviors you want employees to embody.

For example, if your company operates in a regulated environment that requires careful attention to working with process and protocol, you want a culture that values critical thinking, following standard operating procedures, and managing risk. Your culture won't need to be as focused on innovation and new product development; while these may be worthy pursuits, they don't align with your goals.

Translate your business strategy into values, norms, and practices that will directly support it. You can use the same strategic inputs you used to map your [leadership competencies](#).

- Check this box if you've defined your needed culture based on your business strategy.

2. Identify current culture fit in relation to business strategy.

Assess your organizational culture by using a combination of engagement surveys, focus groups, and simple observation. Examine the following dimensions:

- **Jobs:** Do your employees feel their jobs are a good fit? Do employees believe they add value to the business? What frustrates your employees about their daily tasks?
- **Practices:** How do teams and employees collaborate? How are things communicated? How are decisions made? How are tasks executed?
- **Values:** What beliefs and values support your employees' actions and decisions?
- **Leadership:** Are leaders empowering their direct reports or micromanaging them?
- **Behaviors and rewards:** What behaviors get rewarded? How is performance evaluated?
- **Goals:** Do employees understand and align to your strategic goals?
- **Compensation strategy:** Is it reinforcing the behaviors that matter in your culture? For example, compensation models may encourage individual performance or emphasize team results and collaboration. Either will foster different behaviors.
- **Benefits strategy:** Are your benefits reinforcing your cultural values? For example, asking employees to clock in every day or offering unlimited vacation time both have a direct impact on the level of trust in your organization.

You're likely to find areas where your culture aligns with your strategy, but you'll also likely find gaps. Identify any changes you need to make to your current culture to better support your business strategy.

- Check this box if you've determined how your current culture relates to the culture you need to execute your strategy.

3. Develop and execute a plan to address culture gaps.

There are many ways to change your organizational culture over time. These include making changes to your rewards system, how you communicate and make decisions, who you promote, or how you set up your physical working environment to better align with your strategy.

For example, if your strategy requires improved cross-functional collaboration, create a rewards system that recognizes individuals who exhibit this type of behavior. When employees see a peer recognized for sharing information, resources, and suggestions, those employees will be more likely to do the same in the future.

Execute your cultural change plan by:

- Being explicit about the culture you're fostering
- Building transparency and trust by communicating often about the changes you're introducing—and why

- Maintaining transparency into your business strategy; there's no such thing as too much communication and clarity around your strategic intent
 - Anticipating friction and tension, and developing ways to listen to employees, welcome their ideas, and, when necessary, adapt your plans accordingly
 - Setting new expectations for performance, and visibly recognizing and rewarding behaviors that embody the new values and norms
 - Hiring people whose behaviors are aligned with your new culture; they'll become your new change agents
 - Promoting current employees whose behaviors best fit your new culture; not only will they be change agents, but their public recognition will show others how the path to promotion requires being aligned with your new culture
- Check this box if you've developed a plan to close any culture gaps.

Aptitude #3: Hire

Hire is part three of the four-part talent optimization discipline. This is where you'll use talent optimization insights based on people data to hire top talent and build high-performing teams. In a large or growing organization, hiring is happening constantly. You may simultaneously be hiring for a new position, a position that you've recently modified based on a change in strategy, and hiring to fill a turnover gap. The activities described in this section apply to promotion situations and internal transfers as well.

Learning goals for this aptitude

1. Understand why hiring is important to talent optimization.
2. Be able to list and describe the four activities in the hire aptitude.
3. Use the associated maturity model to identify an organization's level of maturity for the hire aptitude.

Why hire is important to talent optimization

Hiring is a critical activity in any organization regardless of its size, industry, or state of maturity. The ability to hire well sets the stage for future organizational success. Putting the right person in the right role also contributes to others' confidence in the organization's overall effectiveness; top performers prefer to work with other top performers. By contrast, a mishire can have devastating consequences not just on the organization's business results but also on the engagement and welfare of other employees.

The hire aptitude is composed of four activities:

1. [Define and communicate job requirements.](#)
2. [Equip your leaders to land top talent.](#)
3. [Determine your candidates' cultural fit.](#)
4. [Predict new team dynamics.](#)

Define and communicate job requirements.

Learning goals for this activity

- Understand why defining and communicating job requirements is important to talent optimization.
- Be able to list and describe the three steps to take when defining job requirements.
- Identify who should be considered as stakeholders when identifying job requirements, and describe why stakeholder involvement is a critical component of this step.
- Identify questions to consider when defining a job.
- Explain how people data can help you create a compelling job advertisement.

Why defining and communicating job requirements is important to talent optimization

If the members of the hiring team don't fully understand the intricacies of the job, they'll be hard-pressed to match the right candidate to the open role. Using a talent optimization approach to define job requirements allows stakeholders to collectively pinpoint the behavioral drives and cognitive ability candidates need to succeed. When you take the extra time and effort to do this legwork up front, you end up hiring a candidate who has a better chance of being a great fit. And when someone is naturally wired to complete their job, that person feels more engaged and is more productive.

Key activities of this aptitude include the following steps:

1. Solicit stakeholder input.
2. Define the job.
3. Create a compelling job advertisement.

1. Identify stakeholders who know about the job.

One of the most important investments an organization can make is to add top tier talent. Yet time and again, companies get this wrong. Hiring managers will put the wrong person in a role if the manager or the broader interview team don't understand the job requirements.

To define the requirements of a position, it's best to identify a variety of stakeholders. An obvious starting point is the hiring manager—the person who will ultimately be responsible for the new hire's performance. For alignment, you can include other senior leaders and team members who will regularly interact with this person. Finally, you may want to add a person who is currently serving in the role. There are often differences in perspective between what a manager considers a role's day-to-day work to be and the reality of that work from somebody doing the job.

- Check this box if you've identified a variety of stakeholders for a given hiring situation.

2. Define the job.

When defining the job, you want all stakeholders to focus on objective job characteristics rather than vague concepts. Consider questions such as:

- What are the most important and frequent activities?
- What behavioral style and temperament is most naturally suited to do this type of work?
- How quickly will the successful individual need to learn new information and skills?
- How flexible and adaptable will the person need to be in this role?
- What specific knowledge, skills, and abilities are needed?

Outline job tasks and activities as well as the behavioral styles, adaptability, and other important traits required for success in the role. You can use a standardized survey or job assessment to capture input on these key areas from each stakeholder.

When examining the results, it's common to see differences of perspective among the stakeholders. In this situation, the responses should be reviewed as a group to gain consensus. The goal of this type of alignment meeting is to clarify points of view and determine the “must haves” of the position. Don't leave the room until you're all aligned. Hiring a candidate without having stakeholder agreement on job requirements is a recipe for disaster.

- Check this box if you've defined the job in an objective way.

3. Create a compelling job advertisement.

Think of your job posting as your front door—and your first impression with candidates whether they are outside of your organization or internal candidates. Many job descriptions are cobbled together after conducting an online search of similar sounding jobs. This type of approach fails to communicate key job requirements to candidates.

During the process of defining the role, you outlined job tasks and activities as well as behavioral styles, adaptability, and other important traits required for success in the role. Make sure that these are reflected in the job posting. For example, if you're hiring a new office manager who must be adept at interacting with clients, visitors, and employees, communicate the interactive nature of the position.

Prospective candidates will also evaluate the language you use as this gives them insights into your organizational culture. Be sure your words reflect your values accurately. For example, if you use words like “aggressive” or “driven” in your job posting, candidates might assume your culture is highly competitive. If it isn't, be sure to soften your language.

- Check this box if you've created a compelling job advertisement that matches the role.

Equip your leaders to land top talent.

Learning goals for this activity

- Understand why equipping your leaders to land top talent is important to talent optimization.
- Be able to list and describe the four (4) steps associated with using a methodical and analytical approach.
- Describe best practices for selecting interview team members and preparing them for the interview process.
- Recognize recommended people data to collect to help you make the best hire.
- Describe how people data can help you objectively prioritize candidates and create targeted interview questions.

Why equipping your leaders to land top talent is important to talent optimization

To win the war for talent, your leaders must be fully invested in driving the hiring process from screening candidates to leading interview teams. When hiring managers place the wrong people in roles, employees are left to languish doing work that's a poor behavioral or cognitive fit. But when you train your hiring managers to use people data in the hiring process, they're able to use the resulting strategic insights to make smart and objective hiring decisions.

This activity requires taking a methodical and analytical approach, and includes the following four steps:

1. Assemble the interview team.
2. Collect objective data about candidates.
3. Prioritize which candidates to interview.
4. Conduct candidate interviews.

1. Assemble the interview team.

Think of the interview team members as empowered representatives of your organization, each tasked with evaluating a unique aspect of the applicant's candidacy. You want a diverse team that's composed of the hiring manager, people who work closely with this role, maybe someone who currently does the role, and someone who can interview the applicant about [culture fit](#).

The hiring manager should create an interview plan that clearly identifies the topics each interview team member should cover to reduce redundancy. This map can be as simple as a Word or Google doc. The goal is to make the interview process as streamlined and organized as possible. The quality of the candidate's interview experience will greatly influence their decision to accept or reject your offer should you choose to make one.

- Check this box if you've identified and prepared the interview team.

2. Collect objective data about candidates.

Most organizations ask candidates to supply a resume and work history. But to make the best hire, you need to go beyond that minimum requirement. The data you need to collect from each candidate is:

- Knowledge
- Skills
- Education
- Behavioral profile
- Cognitive ability
- Values

As discussed previously, [measurement](#) options for collecting this people data range from simple questionnaires to robust platform solutions. Choose the collection method that's the right fit for your needs.

- Check this box if you've collected objective people data about candidates for a given job.

3. Prioritize which candidates to interview.

After you've collected your data, rank candidates based on how well they fit the job requirements and your company culture. If a candidate has the required experience but lacks behavioral or cognitive fit, don't bring them in for an interview. Your goal is to prioritize candidates who are a fit on multiple dimensions.

Ranking is objective in nature and helps you avoid wasting precious time with candidates who are a poor fit for the role. When you add people data insights to your hiring process you can narrow a broad candidate pool down to two or three final round candidates, each having a strong likelihood of being your next great team member.

If you don't look at the whole picture, you might unintentionally bring bias into the process, i.e. inviting someone in based on a fancy internship not everyone could afford to take part in. In this way, using people data to create your interview shortlist levels the playing field.

- Check this box if you've prioritized which candidates to interview.

4. Conduct candidate interviews.

In this step, candidate data and job fit can help guide what questions you choose to ask. For example, if the job requires frequent interaction with people inside and outside of the

organization, but the candidate's behavioral profile indicates that communication isn't a natural strength, asking the right questions can provide clarity: *Tell me about a time when the majority of your day was spent talking to other people.*

In addition to ensuring this type of behavioral fit between the candidate and the job, you need to interview the candidate to [determine candidate cultural fit](#) as well.

When you go into an interview with a baseline understanding of how the candidate thinks and works, as well as a specific line of questions designed to evaluate any gaps between the candidate and job requirements, it results in a more productive conversation.

- Check this box if you've used people data to conduct effective candidate interviews.

Predict new team dynamics.

Predicting new team dynamics includes evaluating potential changes to group dynamics if you were to hire a given candidate. This activity will allow you to anticipate issues proactively as part of the selection process.

Learning goals for this activity

- Understand why predicting new team dynamics is important to talent optimization.
- Be able to list and describe the three steps of predicting new team dynamics.
- Explain how people data can be used to compare a candidate to an existing team.
- Describe some changes that may be introduced when a new person is added to a team.

Why predicting new team dynamics is important to talent optimization

When evaluating candidates during the interview process, it's important to understand how their addition to the team may change and impact the overall dynamics of the group. If you hire a candidate without first using people data to evaluate team fit, it can lead to big problems: team dynamics that are marked by conflict or teams that can't accomplish strategic goals. Many organizations don't have the data they need to make smart team building decisions. Instead, they assemble teams based on resumes and gut feel. This leads to unbalanced teams and high-performing employees who become disengaged when forced to work alongside lower performers.

Key steps of this activity include:

1. Understand how a candidate compares to existing team members.
2. Predict changes to current team dynamics.

1. Understand how a candidate compares to existing team members.

Most companies evaluate candidates based on the apparent fit between their knowledge, skills, and abilities relative to the work they're being asked to perform. A talent optimization approach also includes taking a data-driven look at how a given candidate compares to existing team members they would work with.

In some cases, a candidate may have a behavioral style that's similar to that of existing team members. For example, a team of sales professionals may all be outgoing, customer-centric, and proactive. A new sales professional may also have this same behavioral profile.

But what if the profile of the candidate was radically different from those of the existing team members? This could be the case if that new sales team member was a sales operations professional. This person may be more reserved and process-oriented than the rest of the team.

- Check this box if you've compared candidates to existing team members.

2. Predict changes to current team dynamics.

Adding a new team member creates a new team. As a result, you may see significant changes in how work assignments are divided, how processes unfold, and how communication flows through the team. In addition, you may see changes to other fundamental team dynamics including how teams make decisions and take action.

For example, an existing team may operate from a position of respect. The team's communication emphasizes pleasant yet professional interactions. Team members have strong points of view, but they still respect and acknowledge others' perspectives. How would this team dynamic change if a candidate with a very assertive and direct communication style were added to the team? You can't make an informed hiring decision without taking this into consideration.

- Check this box if you've predicted changes to current team dynamics should you add a given candidate to the team.

Determine candidate cultural fit.

Determining candidate cultural fit includes communicating your organizational culture to candidates during the selection process and evaluating candidates based on cultural fit.

Learning goals for this activity

- Understand why determining candidate cultural fit is important to talent optimization.

- Be able to list and describe the two key elements associated with determining candidate cultural fit.
- Describe a recommended step that will help a hiring team evaluate culture.
- Explain how to create an objective method for evaluating a candidate's fit to your culture.
- Describe the advantages of setting candidate expectations about your culture in the interview.

Why determining candidate cultural fit is important to talent optimization

One of the key things to evaluate when considering whether to add a new person to your organization is the impact on your company culture. World class companies have [designed the culture](#) they need to execute their business strategy. This is why you need to determine if an incoming candidate will fit within your already excellent culture and/or add something unique that helps grow your culture in the direction your business is headed. You can't just go with your gut feeling—there must be a purposeful and explicit evaluation of the candidate's fit to the organizational culture.

Key elements of this activity include:

1. Ensure candidate fit with the organization.
2. Set candidate expectations regarding culture.

1. Ensure candidate fit with the organization.

Many organizations claim they evaluate candidates for cultural fit, but usually this is done subjectively and informally. This happens when your cultural norms aren't adequately documented and communicated.

You already designed and documented your [organizational culture](#). Now you can use that information to evaluate candidates for cultural fit.

Arm every member of the interview team with a simple rubric (based on your documented culture of values, principles, and rewarded behaviors) to evaluate each candidate during the onsite interview.

For example, if your documented culture is composed of four primary values or principles, interviewers should ask specific questions to determine how well the candidate embodies each one—then give them a score from 1-5.

To take it one step further, you can add a person on the interview team whose sole purpose is to evaluate culture fit at the deepest level. This would include having the culture interviewer provide specific examples supporting the numeric scores for each of the four primary values. These scores should be considered alongside the other scores on the interview team's scorecard to drive the final hiring decision.

- Check this box if you've ensured the candidate's fit with your culture.

2. Set candidate expectations regarding culture.

A top-tier candidate has options when it comes to their next career move. Assuming the candidate has multiple job opportunities to consider, the attractiveness of your culture may become the final deciding factor. So, the evaluation of culture fit is a two-way street for both the candidate and the organization.

If the candidate appears to be a strong culture fit, emphasize your culture as a key selling point so the candidate is excited about the alignment. The goal of clearly communicating your culture out loud during the interview is to help candidates envision themselves in your organization.

The final stages of the selection process also provide the opportunity to set an expectation that upholding your company's culture is expected and rewarded. By setting this expectation up front, it will enhance your ability to [monitor your culture](#) and maintain the culture you created to support your business strategy.

- Check this box if you've communicated your culture to a candidate and set expectations around maintaining your culture.

Aptitude #4: Inspire

Inspire is part four of the four-part talent optimization framework. Inspire includes important employee-oriented activities ranging from career pathing to maintaining organizational culture. Inspire also includes enhancing that critical relationship between an employee and their direct manager.

Learning goals for this aptitude

- Understand why inspire is important to talent optimization.
- Be able to list and describe the four steps associated with the inspire aptitude.
- Use the associated maturity model to identify an organization's level of maturity for the inspire aptitude.

Why inspire is important to talent optimization

In most organizations, employees lack the necessary people data insights to work together at their best. Without that data, employees don't have critical awareness regarding their workplace behaviors. This means they inadvertently create communication problems, conflict, and even organizational toxicity. Using a talent optimization approach, employees are given the data and insights they need to manage themselves—and their relationships with others in the organization.

The inspire aptitude is composed of four activities

1. [Create new jobs and career paths.](#)
2. [Develop your leaders.](#)
3. [Create high performing teams.](#)
4. [Reinforce your culture.](#)

Create new jobs and career paths.

Learning goals for this activity

- Understand why creating new jobs and career paths impacts talent optimization.
- Be able to list and describe the three steps associated with creating new jobs and career paths.
- Explain the role of the department head in aligning strategy and execution.
- Describe some best practices for creating career paths.
- Identify the important attributes of successful career pathing.

Why creating new jobs and career paths is important to talent optimization

As your organization grows and matures, you'll need to create new jobs to execute your strategy. You'll also need to create career paths and modify job roles for your current employees. Creating career paths for your employees has a direct impact on your business results. When you can demonstrate a clear career path for employees, you can hire better—and more committed—candidates. Anticipating future needs as driven by your strategy gives you time to groom and nurture talent.

Creating new jobs and career paths involves the following three steps:

1. Identify new roles needed as your organization grows.
2. Create compelling career paths and refresh job roles.
3. Communicate advancement opportunities.

1. Identify new roles needed as your organization grows.

The same way you need to assess job requirements whenever you're trying to attract new hires, you need to map out all of your positions, current and future, as your organization grows and matures. With that, you have the framework for all your career pathing.

To identify future roles, refer to your business strategy. Every department head should develop a forecast of the number and type of positions that will be required to successfully execute the strategy. For example, a sales department may need to add more account executives as the business grows. That department may also need to add a new sales operations role to coordinate and support the team's work.

- Check this box if you've identified new roles your organization will need as it grows.

2. Create compelling career paths and refresh job roles.

Many companies view jobs and people as static and their evolution as a series of one-time events: a position needs to be filled, a candidate is hired, employee advancement is a

once-a-year event. In many ways, companies manage jobs and people like budgets: they do it once, and then they increase it a little bit every year. But this is a limited view.

A talent optimization approach to career pathing is quite different. You constantly reassess your needs based on changes to your overarching business strategy. In this way, career pathing is forward-looking and future-driven.

If you fully enable a talent optimization model in your organization, you should follow these best practices when creating career paths and refreshing job roles:

- Be proactive and plan into the future. Think about the organization's future needs today so you can prepare.
- People don't always want to move up the ladder; many times they just want to try something new. Because of this, you'll want to think ahead about lateral moves. Most employees should have an understanding of two job descriptions—one for the work they're currently doing and one for the work they may be doing in the future.
- Treat future jobs the same way you treat active jobs. Always create a profile of the behavioral and cognitive profiles needed for success in the role.
- When job responsibilities have changed over time, redefine the role. Is the person doing the work still a good fit? Would that person be happier in a different role?
- Make it easy for employees to join a new team where their personality and behavior directly aligns with the requirements of the strategy you're pursuing.

Check this box if you've created compelling career paths and allow for job role changes.

3. Communicate advancement opportunities.

It's important to be transparent regarding advancement opportunities. High-performing employees crave growth and professional challenges. Demonstrate a commitment to your business strategy *and* to your employees by publicizing opportunities for advancement.

For successful career pathing, you must make sure that:

- Current and future positions are publicly available for anyone to view.
- Promotable employees and employees looking for new opportunities are known across the organization.
- Continuous job changes are seen as a way of life rather than one-time events.
- Employees accept and seek out regular and frequent changes of position—as long as these are consistent with their natural abilities.
- You honor your commitment to follow through on the career paths you've communicated to your people.

Check this box if you've communicated career advancement opportunities in your organization.

Develop your leaders.

Learning goals for this activity

- Understand why developing your leaders is important to talent optimization.
- Be able to list and describe the three steps to take to maximize leadership impact.
- Explain some ways to collect people data to help leaders gain self-awareness.
- Describe how to best manage the similarities and differences between managers and the individuals on their team.
- Know best practices for delivering feedback within a given business context.

Why developing your leaders is important to talent optimization

Talent optimization requires developing leaders at every level to drive employee performance and engagement. It also includes identifying and evaluating leadership competencies and giving performance feedback within business context. Leaders should exist at all levels of your organization; they're an asset you should continuously nurture and grow. This is because effective leadership competencies are the number one driver for high employee engagement—and the strong economic performance that results when your people are going above and beyond.

To maximize your leadership impact take the following actions:

1. Create leader self-awareness.
2. Meet the needs of others.
3. Give performance feedback within business context.

1. Create leader self-awareness.

As a leader, it's important that you develop individual and team awareness at all levels of the organization. At first, this may seem daunting. While senior executives tend to be more experienced in dealing with team dynamics and collaboration, junior individual contributors and new managers may have had no training—let alone experience—in being effective team members and leaders. Yet self-awareness is the key to fostering positive team dynamics at all levels, so you need to tackle the challenge head-on.

Great leaders are aware of their capabilities and their blind spots, and they continuously develop themselves to maximize the former and minimize the latter.

People data can help leaders at all levels gain self-awareness. There are several different ways to get the data you need. On the fly, leaders could go through the 360 review process so they can get an unedited look at how others perceive them. On the other end of the spectrum, reviewing results from assessments including personality, leadership competency, and personal values can all enhance a leader's self-awareness.

Self-awareness is a gift that you should give every employee; the more self-awareness your people have, the more they can relate to and inspire their colleagues—and your customers.

- Check this box if you've used behavioral tools to develop self-awareness.

2. Meet the needs of others.

Managing every employee in the same way is like giving every employee the same size shoes. In addition to self-awareness, leaders also need to be aware of the needs of others. When working with someone similar to yourself, managing them is intuitive. But when the person you manage is quite different than you, it takes deliberate effort to change your own behavior so that you interact with them effectively. For example, If you're an extraverted manager who likes to talk things out, you may need to resist the urge to pop over to someone's desk and interrupt them; book time to talk privately instead.

When people in an organization have proactively understood the similarities and differences between them—and they've negotiated the best ways of working together—magic happens.

- Check this box if you know how to meet the needs of others.

3. Give performance feedback within business context.

Managers must drive business results while developing their people. Too many organizations operate in one mode or the other. By using business context to provide specific feedback, employees clearly understand why they're meeting expectations or falling short.

Feedback should always be specific, constructive, and objective. Instead of telling a marketer he did a nice job writing a content piece, explain the number of page views or leads it generated—and how his effort directly contributed to your strategy to open a new market.

On average, employees feel that they don't receive enough feedback from their supervisors and other leaders in the organization. All employees should be given some combination of the following:

- Weekly or bi-weekly check-ins with the direct supervisor
- Real-time and periodic coaching that's specific and actionable
- Annual or semi-annual performance reviews
- 360 reviews
- Engagement surveys
- Post-training certification results
- Annual, semi-annual, or quarterly goal setting

- ❑ Check this box if you give performance feedback within the business context.

Create high-performing teams.

Learning goals for this activity

- Understand why creating high-performing teams is important to talent optimization.
- Be able to list and describe the three best practices for creating high-performing teams.
- Explain how approaching each team as a mini-organization is supported by people data and business strategy.
- Describe the three levels of team participation and how people data can maximize each level.
- Explain the team-leaders' role in monitoring and managing team culture.

Why creating high-performing teams is important to talent optimization

An organization's success is largely determined by its employees ability to work together efficiently to achieve goals. In organizations, much of the work is performed by teams of people working together. All teams will undergo varying levels of change so it's important to measure team performance over time. It's also a must that all members of the team continue to practice self-awareness and be transparent so they can best communicate, make decisions, and execute the team's strategy.

All teams must strive to become high-performing. The senior leadership team must work exceptionally well together to execute the strategy and set the tone for the rest of the organization when it comes to making decisions, collaborating effectively, and taking action. The same standard of high-performance should extend to all teams throughout the organization at all times.

Best practices for creating high-performing teams include the following:

1. Consider each team as a mini-organization.
2. Create awareness of team members' similarities and differences.
3. Create flexibility and the ability to adapt to change.

1. Consider each team as a mini-organization.

Think of each team as a mini-organization with its own strategic objectives and expected results. Take, for example, an organization with a strategy that's focused on command and control; within that organization is a sales department with a *team* strategy that's focused on growth. This concept applies to the senior leadership team as well. For an executive team, their strategic objectives relate to the overall business strategy of the organization.

Many of the strategic alignment approaches described in the [design](#) aptitude can and should be applied at the team level. For example, a talent optimizer can use objective tools and methods

to assess whether team members' natural styles and collective behaviors are aligned with its business goals. Team members may need to adapt their natural styles for the team to reach its optimal productivity.

A business-first approach also helps identify whether new team members should be added (and sometimes whether some current team members should be removed) to further the alignment of team dynamics and the goals the team is pursuing.

- Check this box if you view each team as a mini-organization having its own strategy.

2. Create awareness of team members similarities and differences.

Everyone on the team, including team leaders, must have self-awareness of their own behavioral preferences and abilities as well as an understanding of the behavioral preferences and abilities of the other team members. They should use these insights as early and as often as possible.

Employees can't maximize their effectiveness if they don't know their own preferred working style, strengths, and blind spots. Team members also need to know each other's working styles, strengths, and blind spots—and how these interact when different people are paired to do work.

This applies to senior teams as well. When leaders don't understand the behavioral drives that shape the way they think and work, they'll struggle to execute their plans—and overstretch their organizations in the hope of making up for missed results.

Consider the following questions at each of these three levels of team participation:

- Me: What is my natural behavioral style and preferences? How do these influence my team?
- Me + 1 (one-on-one relationships): How do I interact with each individual team member? Who do I work well with? Where is my work not as great? How can I adapt to each team member's behavioral needs and expectations so we can perform and be happy in our work?
- Me + we (team dynamics): How well do we work as a cohesive group? How do we communicate? How do we make decisions? What situations present challenges for us?

Here are selected examples of how these insights translate into higher team performance:

- Me: Each team member should have self-awareness of their own behavioral styles and be willing to grow to better contribute to the team dynamics. They can do this by following new approaches such as:
 - Risk-averse employees and executives may need to relax their instinct to slow down
 - Introverted employees may need to seize opportunities to be heard

- Informal leaders may need to be more diligent in their coordination and follow-through
- Me + 1: team members, including executives on senior team, should use results from behavioral tools to:
 - Assess the behavioral makeup of key business partners and consider the other individual's preferred working style
 - Identify how their own working style matches or differs from their colleagues' with regard to common team activities (e.g. communicating, making decisions, taking action). Do they find themselves regularly supporting some of their colleagues? Are there individuals on the team they struggle to agree with?
 - This self-reflection should prompt an open discussion between individual team members when they notice opportunities to improve their 1-on-1 working relationship.
- Me + we: Evaluate team dynamics in light of the team's overall execution. For example, if a project team or an executive team struggles to come to consensus, this team challenge can provide important context for understanding team dynamics. Are there certain team members who are markedly assertive and who tend to dominate the conversation? If so, less outspoken employees may feel crowded out of the conversation. Are some team members more conservative in their approach? If the team doesn't thoroughly analyze potential risks, the needs of these conservative team members may not be met.

The performance needs of the team, the needs of the individuals on the team, and the needs created by the team dynamic must all be met. This can only happen when all team members reflect on individual and collective insights and adapt their working relationships as needed.

- Check this box if all team members utilize self-awareness and awareness of others to enhance their collective work.

3. Create flexibility and the ability to adapt to change.

There's plenty of scientific and academic research validating the business value of diversity in building capacity for innovation and change in organizations. Both innovation and change require:

- Multiple perspectives
- An environment that respects and values these perspectives
- Norms and processes that translate perspectives into actions

One way to improve flexibility is to build well-balanced teams across the organization from an expertise, skills, and behaviors perspective. Your teams should naturally include a collection of

individuals who are well aligned with your strategic intent; but where possible, also include people who bring diversity of behavioral styles and thinking to balance your team dynamics.

- Check this box if your leadership team can anticipate and react to changes in the competitive or operating environment.

Reinforce your culture.

Learning goals for this activity

- Understand why protecting your culture is important to talent optimization.
- Be able to list and describe the three steps to actively manage your culture.
- Describe what to consider when determining how frequently to measure your culture.
- Recognize some questions that will help you translate strategy into cultural attributes.
- Describe some ways to make a purposeful shift in your culture.

Why protecting your culture is important to talent optimization

It's been said that "Culture eats strategy for breakfast." When an organization's culture is aligned with its business strategy, it acts as a catalyst for individual and collective productivity. But if left unmonitored and unmanaged, a toxic culture can develop and spread throughout the organization—zapping engagement and productivity and causing your high performers to jump ship. This is why culture must be actively reinforced over time.

Reinforce your culture by taking these four steps:

1. Repeatedly communicate your cultural norms.
2. Take action to address conflicting behaviors.
3. Encourage employee recognition of culture champions.
4. Reward desired behaviors to reinforce the culture you want.

1. Repeatedly communicate your cultural norms.

After you've intentionally and carefully designed the culture that best suits your organization's strategy, it can be tempting to move on to the next pressing initiative. Doing that creates a risk that the culture movement was just another "flavor of the month." It's all too easy to neglect the long-term dedication needed to maintain the right culture—one that enhances employee performance and engagement.

To keep the importance of your organization's culture front and center, take every opportunity to repeatedly communicate your intent to all employees. Look first at the practices you currently have in place. How could you add a cultural reminder to these? For example, if you have an "all hands" type live meeting, start with a reminder of the key cultural values that lead to success in your organization. Highlight a recent and relevant example. Regular employee communications

such as a monthly e-newsletter or announcement may be another highly visible place to repeat your cultural values.

- Check this box if you repeatedly communicate your cultural norms.

2. Take action to address conflicting behaviors.

Inevitably, you'll see instances where an individual's behavior runs counter to your company culture. If one of your cultural values is teamwork, an individual who acts in a self-serving way presents a significant threat to the collective welfare of the broader company. When this happens, act swiftly. Speak with this individual quickly, and if necessary, take more dire steps. Organizations that don't confront these situations will send mixed messages to the broader organization and undermine performance and engagement as a result.

This situation can be particularly tricky if the offender is a high-profile individual. Star performing sales representatives, high-potential employees, and executives may all fall into this category. These situations challenge even the most committed talent optimizer. Despite the discomfort associated with addressing the problem, the broader business and organizational welfare needs to come first. Take action or prepare to address a much bigger problem later on.

- Check this box if you take quick action to address conflicting behaviors.

3. Encourage employee recognition of culture champions.

Reinforcing culture is not only the job of senior executives or talent professionals. Employees have the most influence on cultural adherence. It's important to create systems for all employees to recognize their teammates for demonstrating cultural values in the course of day-to-day operations. This has the two-fold benefit of broadcasting cultural values while encouraging other employees to follow suit to earn positive praise.

Create a highly visible forum for acknowledging culture champions and encourage all employees to share relevant examples of people who live your company values. Consider giving out a monthly or quarterly culture award to a recipient who's determined by employees—not just senior leaders. These small efforts reinforce the desired culture throughout the organization and ensure its staying power.

- Check this box if you encourage employee recognition of culture champions.

4. Reward desired behaviors to reinforce the culture you want.

You can shape your culture and correct any violations or inconsistencies by determining what behaviors should be recognized, rewarded, and celebrated. These are the behaviors that will shape your culture.

In the area of culture, less is more. Employees can only respond to so many prompts. This means that when you put more emphasis on a particular behavior you'll have to simultaneously de-emphasize the opposite behavior. It also means you should shape your culture one or two behaviors at a time, no more. The message you're sending needs to be extremely clear and simple.

Here are a few ways you can reward your culture to reinforce it:

- Training (job specific)
- Career development
- Internal promotions
- Reward/recognition/performance system
- Role modeling by leaders and managers

For example, if you need to realign your culture to support a strategy that's focused on increasing quality and predictability, you can:

- Train your employees in process, discipline, and systems thinking
- Develop career paths designed to build proficiency with the processes and functions that are most involved in quality control outcomes
- Promote individuals who exhibit the behaviors that aligned with the cultural traits you want to spread
- Reward employees who behave according to the cultural attributes you want to foster
- Make sure that you and other leaders up and down the organization are role models and set clear expectations

Check this box if you reward desired behaviors to reinforce the culture you want.

Conclusion

Whether you're growing, refining, or redesigning your company, you need highly-productive employees who are aligned with your culture and mission. You need teams who move in sync to execute your company's strategic goals.

Without a workforce that's engaged and high performing, it'll be difficult to scale, get unstuck, prepare for a merger or acquisition—or meet any other business goal. This is why talent optimization is so critical. This discipline allows you to design and develop your people for maximum output and results.

Talent optimization provides a competitive advantage. Now go and put your knowledge to work!

