



C-Level: Human Capital Decision Support System:

Strategic Talent and Capability Questions that Should be Asked

...and, where answers should be readily available

Background: The framework and questions contained within this document came from two sources and can be found in organizations that are considered to have ...'a Mature Talent Management System'...with an *end-state* in place a 'pipeline of talent'...that truly 'works'.

The Sources:

- **Practices in Medium to Large organizations** that had in place what could be considered a well-established Talent Management process ...a 'mature system'—organizations such as FedEx, P&G, H-P, Baxter, International, ADT, Bank of America, British Airways, Amgen...where we served as the Chief Talent Officer or the CHRO, and
- **A panel of 20 C-Level executives...from** well thought of organizations who were asked ..."*What should be the focus and then the questions that 'should be' asked by C-Level executives" in strategy setting and then the implementation of strategy?*
 - **First--the focus:**
 - **The system must align and supports the strategic direction of the organization?"...tied into 'normal business processes'...'*not an HR program*':**
 - Deliberations about future direction-setting **of the organization...our strategic direction**— and the
 - Implementation of Strategy...throughout the period/year...tracking/reporting on , key issues....and throughout...;" and avoiding the all too common 'once a year mentality'".
 - **Second—The information**
 - Primarily should answer organization capability questions:
 - Individual capability questions are the base, foundational...must be right—but, organization capability answers help us win;
 - **Third—The standard**
 - Aspire to have available human capital information, comparable to our financial information we are used to. "That is the price of admission and the C-Level team must demand this and Human Resources has to step up and deliver"

A caveat: If an organization desires to improve their talent management process to produce a 'pipeline of talent', a first look at the questions can be daunting, and rightfully so. *The questions contained in this document are appropriate for any size organization **at the right time**. The right time is defined when the specific business 'needs to know'. To be successful in launching or improving your present approach, 'our suggestion'...Start small...choose ONLY two issues that are important for the business. The CEO is the individual who must make that choice. When leaders master those two issues...then, and only then...the CEO and C-Level team identifies the next issue. In other words, let the business needs drive the process and activities and reward the use of this type of human capital information.*

Part a-Workforce Issue/ Analysis

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Key Issues in building an Effective Organization-C-Level Questions:

<p>Setting Strategy: <i>(Information provided to the strategy setting team)</i></p> <p>Pivotal Question: What is the Present state of our Talent Pipeline and overall Organizational Capabilities...and, <i>as we prepare to launch the strategy...</i> what is our agreed to plan to assure we are successful in meeting/exceeding our strategic agenda?</p>	<p>Note: Within the Issues panel to the left: C-Level questions are below the issue and highlighted. The issues and questions were identified in interviews and panels of C-Level executives and best practices in talent management at companies such as FedEx, Baxter, Amgen, P&G, Bank of America; Pepsico, H-P.; thus, are provided as 'anchor points'...a starting point. The decision support system provides answers via the Insight-Action Reports.</p>
<p>Issue-C-Level Questions: ...information to establish a baseline ==(30 days prior to start of the Strategy Setting Process)</p>	<p>Insight-Action Reports:</p>
<p>1st: Stakeholder Satisfaction--Supporting our Strategic Direction: C-Level ? -How do our key stakeholders assess...'feel' about our preparedness to support the strategic direction of the business near term...and 'are we doing the right things to prepare to be successful in the future?</p>	<p>1-Net Stakeholder -<i>Organization Readiness Score</i>/'Go forward' Actions</p>
<p>==(One week prior to Strategy Setting Process Kick-Off Meeting)</p>	
<p>Focusing and Directing our Efforts Strategically: Present Status</p> <ul style="list-style-type: none"> In this past year did we focus our resources on the right issues to produce the results we were after? 	
<p>2nd: Overall picture of our Workforce...Leadership C-Level ? -What does our overall talent pipeline look like? (Talent Segmentation)</p>	<p>2- Bench-Strength Report-Segmentation</p> <ul style="list-style-type: none"> (Leadership Pipeline Picture: A players-D-players)
<p>3rd: Overall picture of Critical work to be performed for us to be successful ...What is the critical work to be delivered? (Work segmented from A-D)</p>	<p>3- Work/Positions Segmentation—Present state</p> <ul style="list-style-type: none"> (Affecting Strategy)----A-Mission Critical; B-Pivotal; (Affected by Strategy)-- C-Essential; D-Non-Core
<p>4th: Deployment of A-Talent against our A-Work that must be delivered. C-Level ? -Are we deploying our best against our most important business issues?</p>	<p>4- Strategic Deployment Matrix—Present state:</p> <ul style="list-style-type: none"> Segmented Talent (A-D); Segmented Work (A-D)
<p>Mitigating Significant Pipeline Risks....'Trouble Areas': Present Status</p>	
<p>5th: Organizational Risks...requiring mitigation C-Level ? -Where do we have significant Organizational Risk—results required could possibly not be met because of this condition?</p>	<p>5a- Black Holes: Where talent stagnates 5-b Red Zones: Where we have had significant <i>unwanted</i> turnover</p>
<p>6th: Individual Talent at Risk...Verify...if still a concern-requires mitigation C-Level ? -Where do we have significant risk with Individual Top talent—creating demotivating conditions that can lead to losing talent?</p>	<p>6a Underleveraged Talent (top talent reporting to C-D Player) 6-b Identified top Talent...'not happy'...Vulnerable to lose...lack of plan and accountability</p>
	<p>Note: There are normally workforce and productivity measures provided by the Finance Department and tailored for the specific organization and they should be folded into this C-Level Decision Support System.</p>

Issue-C-Level Assuring that a Plan is made	Human Capital Plan
==(Distributed One week following the completion of Strategy being set)	
Human Capital Plan...deliverables supporting our strategy: 'Go-Forward'	
7th: Overall Workforce Plan C-Level ? -What is our overall plan to address the significant 'gaps' that could interfere with our being successful <i>during the period/year as strategy is implemented?</i>	7: Human Capital Plan...for critical 'gaps'—a plan indicating specific deliverables, accountability and time-table

Leadership Pipeline® Dashboard: Part b-Reporting progress on key issues during the period/year

Strategy Implementation Pivotal Question: Are we making progress implementing our agreed to plans to assure we are successful in meeting/ exceeding our strategic agenda?	
Issue-C-Level Questions:	Insight-Action Reports: ...tracking progress during the year
Strategic Flagship Workforce information: (Key reports...the landing page for C-Level executives)	
8: Overall Bench-Strength Improvement C-Level ? -Are we consistently improving our overall pipeline of talent—Quality (how good) and Number (how many) —our Bench Strength?	1- Bench-Strength Report-Segmentation A players-D-players... <i>Monthly Progress</i>
9: Assuring that talent is consistently deployed to support our strategy C-Level ? -Do we have our best talent deployed against our most important business issues?	2-Strategic Deployment Matrix... <i>Monthly Progress—focus/attention on</i> <ul style="list-style-type: none"> ● Talent: 'A-Players' —<i>Creators of Value—To</i>'D-Players'—<i>Destroys Value</i> ● Positions: 'A Positions'—<i>Mission Critical----</i> To 'D-Positions'-Non-Core w/strategy
Acquiring the Workforce to win:	
<i>Note: Using David Ulrich's framework of 6-B's with talent—buy, build, borrow, etc.</i>	
Buying Talent	
10: Promotability List Viability C-Level ? -What does <i>the organization-wide Promotable List look like?</i>	10-Talent Forecast... <i>Progress</i>
11: Senior Level positions filled—on time/on spec C-Level ? -Are we filling our key leadership positions-on time/on spec?	11. Senior Level—External Search Report ... <i>Progress</i>
12: Overall positions filled: Internal staffing progress—Priority 1 technical positions...on time/on spec C-Level ? -Are we filling important—priority 1-technical positions—on time/on spec ?	12-Summary—Priority 1-Technical Position Fill Report... <i>Progress</i>

Issue-C-Level Questions:	Insight-Action Reports: ... <i>tracking progress during the year</i>
Building Talent-1: Solid progression coming up 'through the ranks'	
13: Importance of having Top Two Levels of any organization...‘if right, things get right’—if not, ‘things never get right’; C-Level ? -Do we have the leadership required at the top two levels of (this specific) critically important strategic unit?	13-Leadership Coalition Report for a <u>specific designated strategic unit</u>...Progress
14: Solid successors as ‘back-up’s’ and ‘emergency step-ins for key operational positions C-Level ? -What does the <i>successor...and ‘emergency step-in’ ‘picture look like with key operational leadership positions?</i>	14-Operational Succession Coverage... Progress ...critical operational leadership positions...an on-going issue; <i>Examples-</i> <ul style="list-style-type: none"> • Hotel-General managers=hospitality industry, and, ... • Regional managers in multi-state grocery store chain
15-: Support for diversity candidates—monitoring growth and development C-Level ? -1 st : Are Diversity candidates being considered for opportunities (jobs); and, C-Level ? -2 nd : with Diversity candidates, -struggling...what are we doing to assist them?	15-Diversity Pool Tracking...Progress
16:Investment-Individual Development Plans with A-Players C-Level ? -Are we developing/investing in our best...do they have development plans, are the plans ‘real’/current and is this group making solid progress?	16. Individual Development plans...Progress
17: Development/deployment options available C-Level ? -Where could we move our best talent across the organization for development?	17-Vacant Position Report...Progress
18: Deployment actions taken with identified promotable + mis-placed talent C-Level ? -Are those we identified ‘to be moved’ in our talent review(s)...being moved on time?	18-‘Need to Move’ Tracking...Progress <ul style="list-style-type: none"> • ‘Promotable’-For deployment; • ‘Mis-placed’...solid talent but in wrong position
19: Special College Recruitment Pipeline Population(s) that we have planned for, recruited on campus, invested heavily in, and have put in place an accelerated program; C-Level ? -What is our running retention rate over five (5) years...and, where are the ‘red flags’ requiring special attention and monitoring—Progress <ul style="list-style-type: none"> • College recruiting with special population...fueling our critical organization capabilities; 	19. Special College Recruitment Pipeline Population Report...Progress Explanation: Core Competencies that requires an on-campus recruiting program and additional development, resource commitment as these individuals move through various levels—examples, <ul style="list-style-type: none"> • FedEx: Logistics/Supply Chain...recruiting at Purdue, Penn State, Georgia Tech • Baxter: Plastics Molding Engineering...recruiting-Germany, Rochester Institute of Technology, Cal Tech
20: Individuals Identified -‘future potential leaders’—don’t lose them! C-Level ? -What is occurring with Mary Smith? (<i>the executive had previously ‘suggested’ .‘I want to stay up with Mary...she is impressive’</i>)	20.‘Don’t Lose Population’ Report...identified by senior management to monitor...Progress--quarterly Explanation: Executive management has had exposure to an individual in a unit not normally ‘in line of sight’ with executive management, requested that Human Resources monitor the individual as ‘we don’t want to lose h/h’; thus, previously a list had been created, monitored and reported upon. Mary would have been added to Future Talent List ...name of list has many variations—the very sensitive point is that the executive wants the individual <u>not</u> to get lost and when she asks about the individual the HR serving the executive, ‘knows’ the present situation.

Issue-C-Level Questions:	Insight-Action Reports: ...tracking progress during the year
21: Value add of key temporary workforce C-Level ? What does the overall picture of our temporary workforce 'look like'—isolating this population and, judging them by our internal standard for leadership and continuous improvement	21. ('Borrowed Talent') Bench-Strength Report-A players-D-players...Progress <ul style="list-style-type: none"> Interim Leadership: Full time to accomplish an important defined objective; Fractional Leadership: Does not work full-time, but functions in an executive capacity for an extended period—normally where unique know-how is most important.
22: Efficiency and Effectiveness of Position Fill-- on time/on spec C-Level ? Again, isolating this population are these positions being filled on time and in accordance with our specifications and which firm/source is performing the best?	22. Position Fill Report...Progress
Enhancing the value of the Workforce:	
Bonding-On-Boarding and Engagement of our Workforce	
23: "Stuck-'Top Talent... Under-employed C-Level ?: Where do we have solid talent who could play a larger role. <i>buried -- a candidate for exiting</i> , where part of our future could walk out the door?	23. Underleveraged Talent Report (top talent reporting to C-D Player) ...Progress Explanation: Strong research indicates that if A-talent is reporting to a poor leader (C or D) the probability of exiting within 1 year of placement in role is 88%
24: On-Boarding...providing 'quick start' for new Vice-President and above C-Level ?: Did the newly minted VP (a key talent we recruited or promoted) make a successful entry ...and, as too much is at stake...we do not need to be surprised!	24: On-Boarding Plan...Progress -100-day Multi-rater Assessment...Overall report of success...Progress =100-day Assessment...submitted to immediate manager, HR and office of COO)
Building Talent-2: Deploying/Assignment —key leadership positions	
25: Use of Promotability List...for internal deployment C-Level ?: Are we staffing from our promotability pool...from those we deemed promotable ...are they getting the positions...if not who is?	25-Promotable Pool Hit-Miss Report Tracking...Progress Explanation: Promoting/Deploying into a significant challenging position -has been shown to be the most significant developmental action taken with talent; additionally, a promotion of a poor candidate sends the strongest signal to the organization as to 'what is really important around here' — nothing is close! The litmus test for a promotion should be: <i>If John plays a larger role in this organization would there be an enthusiastic response throughout the organization?</i>
Bouncing—Exiting the Organization	
26: Underperformance that can place serious drag on our implementation capability C-Level ?: Are we in touch with the effects of poor performance, more importantly...are we acting on this issue that can erode profitability?	26. Rationale and Action with Poor Performance ...Progress =Costs (Fully loaded compensation costs) =Tolerance of poor performance (Time in position) =Performance Improvement Plan-(Outcome) =Poor Performance Action Report (Date of Departure)

Issue-C-Level Questions:	Insight-Action Reports: ... <i>tracking progress during the year</i>
Mitigating Risk...Protecting Results-Talent:	
27: 'C-Player' Verification and Action Planning C-Level ?: For those assessed as 'C-Players' in our talent audit—we need to take a deeper look at this individual and develop a plan to increase their effectiveness as a leader or contributor...determine a course of action and report on progress	27. C-Player Verification of Rating and Action Plan...Monthly Progress
28: Potential for loss of significant talent C-Level ?: Where do we have significant risk with Individual Top talent —creating demotivating conditions that can lead to losing talent ?	28. Identified top Talent...'not happy'...Vulnerable to lose...Monthly Progress <ul style="list-style-type: none"> Plan to prevent exit and contingent actions if it should occur-plan and accountability
29: Sending the right signals to the organization as to the importance of performance C-Level ?: Are we assessing and rewarding our talent differentially so that there is a strong signal sent as to the importance of performance and results expected to drive and align our strategy?	29. Rating/Reward Consistency Report...Quarterly Progress
30: Loss of cutting edge/unique knowledge through retirement C-Level ?: What is the status of those coming up for retirement and do we have a plan to extract/document that key information and 'know-how' that we cannot afford to lose?	30: Retirement Vulnerability Plan...Monthly Progress Explanation: Research indicates that 80% of firms do not have a process to extract and record <u>Tacit knowledge</u> (as opposed to formal, codified or <u>Explicit knowledge</u>)...the kind of knowledge that is difficult to transfer to another person by means of writing it down or verbalizing it; for example, highly valued information-- unique ' <u>know-how</u> ' about our processes, our customer base.
31: Human Resources staffing/structure to support driving/align strategy C-Level ?: Are we providing HR professional assistance to our leaders managing talent ? (What is the ratio of HR staff developed to foundational functions –efficiency, the administrative side of HR; vs leadership development and –effectiveness and value creation?)	31: HR Strategic Staffing Index: ratio % of: ...Progress <ul style="list-style-type: none"> #:HR professional staff—focus-development #: HR professional staff—focus- transactional-administrative
32: : Existence of issues that will impede our ability to execute C-Level ?: Where do we have significant Organization Issues that can impede our ability to execute and deliver the results expected?	32a- Black Holes: Where talent stagnates...Progress 32-b Red Zones: Where we have had significant unwanted turnover...Progress

Note: The origin of actions with talent in the organization...the '6-B's used as the framework in Part b of the Leadership Pipeline® Dashboard should be attributed to Dr. David Ulrich of the University of Michigan. Dr. Ulrich, a prolific writer has written or co-authored over 30 books that have shaped the HR profession, helped us define organizations capabilities, and shown the impact of leadership on customers and investors.

This framework and reports are the intellectual property of Dr. Charles H. Bishop; Senior Partner, The Profitability Formula, LLC

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