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It's Talent That Matters: Essay On the Importance of Preserving Talent at Colleges

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Essay on the importance of preserving talent at colleges

Submitted by Steve Riccio and Patrick Sanaghan on October 31, 2012 - 3:00am

The sudden departure of senior-level administrators and high-potential employees is a constant challenge that colleges and universities face. Appropriately, institutions acknowledge the years of service and dedication that these employees have provided and suggest such occurrences as a natural progression of any healthy organization. While this may be true, institutions must also consider the value of intellectual capital that is no longer part of the current knowledge base. This void arguably impacts both the brand and competitiveness that is cherished so deeply. So while we say farewell to our colleagues, we must also ask ourselves if we are in a position to appropriately cultivate the remaining talent for the formidable challenges that lie ahead.

"Talent management" is a term heard extensively in the business sector and is beginning to gain traction in higher education circles, yet remains several paces behind. It is also a term that has been notionally defined within the human resource and training and development industries. For the sake of this article, talent management can be defined as formalized processes to effectively retain and develop high potential employees.

While the cost of higher education is continually scrutinized, very few examples point to human resources as a key constituent to address the issue when the majority of an institution's total expense is people-related. Sure, more recently, the human resource profession has been asked to get a handle on health care costs and for good reason. However, the component that seldom is recognized as an avoidable cost is the mismanagement of high potential employees within an institution.

While human capital is considered by most to be a key driver of successful organizations, there has been a limited amount of research related to talent management in higher education. The few studies that exist suggest that institutions (primarily senior management) rarely embrace formal developmental programming and leave the growth opportunities to chance instead of relying on systematic and focused processes. As knowledge producers, colleges and universities should appreciate and value the role talent management plays in their future viability and competitiveness.

Administrations in higher education can truly leverage the achievements that talent management has had on organizations within other industries. Despite the notion of wanting to be different from "the business world," institutions must realize growing talent from within can be of considerable benefit, especially given the ongoing economic climate, the increasingly competitive environment for human capital, and the ever-present need to be accountable to their constituents. Nevertheless, it is only the truly innovative colleges that are examining the value of talent management as a cost-effective means of ustaining institutional leadership.

In many environments, introducing a comprehensive talent management program may be met with resistance, particularly if other competing interests such as faculty development or environmental

sustainability are not provided with a similar amount of resources and support. Therefore, it is imperative for colleges and universities that wish to engage in talent management do so at a high level of openness. Ensuring eligibility among all employees is critical to limiting anxiety, uncertainty and frustration within the community. Adapting to an environmental change such as talent management requires that the entire employee population understands the purpose of the program and receives clear criteria in order to provide an appropriate level of acceptance and trust.

Talent management programs with high degrees of transparency are much more likely to encourage motivation among employees and engage them to recognize their true potential in filling performance gaps within the organization. However, for this to occur, human resource departments must work with senior staff to craft a message to all levels of the institution about how such programming will help to provide continued leadership for the foreseeable future. In short, talent management must be among the core values senior management point to when faced with challenging decisions. Employees can then recognize the connection between talent management and the overall mission of the institution.

Limiting talent management efforts to administrators would be an oversight. Throughout the past several years, one of the authors has had numerous conversations with faculty and academic administrators that support this proactive approach that better prepares department chairs for their roles as supervisors as well as faculty interested in administrative roles. Recently, a university president was asked if talent management should be extended to all areas of the institution. He responded affirmatively. "Wasn't it the lack of leadership in all areas that got us into this current economic state?"

If you are among the senior management at your institution, here is an exercise to try with your colleagues at an upcoming staff meeting. We guarantee this will be a very valuable use of everyone's time and will most likely require continued discussion at future meetings. First, identify the most critical administrative positions at your institution, including everyone who reports to the president. Determining the number of "critical" positions may be the biggest challenge in the entire activity. Smaller institutions should aim for 15 while larger research institutions should try to limit themselves to 50.

Once this is complete, identify two current employees who have the experience to assume each identified role should the incumbent leave for whatever reason at whatever time. Are you having difficulty identifying two high-potentials for each position? If so, we would argue for a more proactive approach to developing your internal talent.

If you were able to come up with two individuals for most positions, excellent. But challenge yourself to identify individuals who have the vision to take the institution to the next level for years to come and not simply those who complement the current administration. This consequence of "comfortable cloning" in which senior management selects individuals with similar leadership traits prevents colleges and universities from building capacity to meet the complex and ambiguous challenges which lie ahead.

After these individuals have been identified, what is the most appropriate path to meaningful development and readiness to assume one of the key positions? Is it the participation in a cohort-based leadership development program or is the development more individualized to address the specific needs of each high potential employee? Does the experience include mentoring, executive coaching, or assignments to high- level projects or committees? Maybe all of the above?

The answers to these questions and many more must be determined by human resources (the facilitator) and senior management (the owners) while factoring in the existing culture and community conversations. The most important question to answer is, "How significant is the performance gap between the high-potential's current skill level and the expected responsibilities of

the critical role?" One must also assess realistically how long it will take to close the performance gap.

Because of cultural differences, higher education traditionally has not shared the same level of accountability as is expected in the business sector. In higher education the tendency is for job responsibilities of managers and supervisors to focus solely on the "operational" aspects of the position (the current state) and less on the "strategic" aspects including the development and growth of their staff members (the future state). This shift toward the identification of talent at all supervisory levels must be foundational.

A recent study [1] conducted by the American Council on Education addressing the characteristics of senior officers in higher education found that less than half (49 percent) were internally promoted to their current positions. Moreover, one of the authors co-led a class of new business officers over a 10-year period. During the last three years, approximately 70 percent of the participants came to their position with no previous connection to higher education. Such examples illustrate the need to improve talent management practices within colleges and universities in order to increase the level of readiness among high-potential employees.

While there are a number of advantages to conducting an external search for leadership roles including the ability to gain a fresh perspective and reducing the need to provide internal developmental opportunities, overlooking current employees can easily produce resentment, mistrust, disengagement, and potential turnover. Furthermore, recruiting top talent externally can be one of the most costly and unwieldy side effects of not having an enterprisewide talent management program. In fact, hiring externally can lead to a break in continuity that most organizations cannot afford. Shorter employment terms, less stable organizational culture, steep learning curves, lowered morale, reduced productivity and employment costs to attract outside candidates are all associated with external hiring.

Among these factors, cultural fit is many times overlooked. An institution recently conducted a search for a director of an administrative unit as current staff members did not meet the necessary qualifications for the position. One candidate seemed to fit perfectly to the institution's needs on paper but extensive interviewing revealed a cultural mismatch. In this case, what steps could have been taken in order for an internal promotion to occur that would have avoided a disruptive, lengthy, and expensive internal search.

Promoting from within allows for a continuity in relationships and improved employee engagement while increasing the likelihood that promoted employees will possess the cultural expertise and knowledge necessary for success. Performance can and will improve when organizational gaps are filled quickly with qualified and motivated workers who wish to assume greater responsibilities.

Most institutions in the current economy can ill-afford the "brain drain" of losing a senior officer or a high-potential employee without a suitable replacement given the tremendous costs related to hiring a candidate from outside the institution. Colleges and universities, now more than ever, need to ensure the right person is serving in the appropriate position. Demonstrating this type of stability in talent serves as a core recruitment and retention tool for the institution. Those that accept the challenge to build talent from within to meet impending leadership requirements will certainly gain an advantage over their peer institutions in this competitive climate.

In an era when every institution is looking for the key differentiator to distinguish themselves from their competitors, remember it's your talent that sets you apart.

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