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*People Smart. Results Driven.*TM

In my last article I discussed the changes that we've experienced in the talent management landscape as a result of the economic downturn. At the midpoint of 2008 business leaders felt that attracting and retaining talent was a key business driver. Little did we know that the shift in focus would be to retention of talent and in some cases the reduction of headcount.

I want to deal with the strategy involved in cutting headcount. As the recession deepens more and more organizations are being faced with the spectre of controlling costs and human capital management typically accounts for one of the largest corporate spends. The question on everyone's mind should be centered around making sure we keep the right people so that we are positioned to hit the ground running as we start to climb back out of the current conditions.

For some organizations it will be a simple matter of last-in, first-out and although this may be the easiest route to take, it likely won't be the most effective. The perception of risk is much lower when an employee has a track record with your organization. You've got the perfect opportunity to fully assess not only the talent that you currently have on your team, but also what the specific role requirements are. If you're going to be forced to do more with less for a while it is imperative that you make sure that you've got the right players on the bench to be able to execute this strategy. The real risk is that you send real talent packing simply based on tenure.

Using a behavioural assessment tool such as the Predictive Index[®] allows you to take an informed look under the hood to get a better sense of alignment between your people and the strategic vision of your organization. Are your people a fit for the role they're in? And more importantly, are they a fit for your culture? Do you have some people on your team that are naturally, behaviourally inclined to be in the group of top performers when we come out of this?

McKinsey identified an uplift in workplace performance between 40 and 67% when we've got motivated and engaged people in the right roles. Clearly knowing how to better understand, motivate and develop your people allows you to provide a performance management system that goes far beyond process and allows you to connect the day to day tactical with the corporate strategic vision. My clients tell me that their review process moves to a totally different and elevated level when they are able to understand and connect in a meaningful way with the talent on their team.

Positioning for the recovery includes making sure that the cuts you may be forced to make don't eliminate muscle. In a "do more with less" framework you're going to need all the muscle you can lay your hands on to be able to power through. A great assessment tool will

not only help you to identify a persons' natural behavioural inclinations it will show you the following key items;

- The ability to cope with change (who on your team needs more frequent communication?)
- Tenacity (is your business development team able to deliver even in challenging times?)
- The ability to deal with stress and still perform
- The level of engagement or motivation
- How they make decisions under pressure

Last-in, first-out may be the easiest decision for you to make but it doesn't set you up for your future success. Take the time to take a long hard look at the talent on your team. If you currently use an assessment tool for recruitment find new and innovative ways to apply the data that you've already captured. The Chinese characters for the word crisis are actually danger and opportunity...you've got both staring you in the face when you have to pull the trigger on who stays and who goes.

Bob Woodcock, Managing Principal, Predictive Success

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