

# Creating a **Talent Production Line**

Companies can manufacture talent in the same way that they manufacture any other product – **using a structured and disciplined production line.**

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# Creating a Talent Production Line

by Marc Effron, Talent Strategy Group



*Acme Motors' CEO sat down at the conference table across from VP of Production Brad Smith. Brad was responsible to design and operate the production line for Acme's proposed Panther XL sedan. The XL's success was critical to the company's future profitability and the CEO had some questions about how it would be produced.*

*"Brad," the CEO began, "Tell me how you'll determine the manufacturing specs for the XL."*

*Brad smiled confidently. "I've recently bench-marked three other car companies," he said proudly, "and we'll use the same specifications they use to build their cars!"*

*The CEO look quizzically at Brad and continued with his questions. "Do we have enough of the right raw material to produce the XL?"*

*"We have plenty of steel in the warehouse," Brad replied, "and I'm sure some of it is suitable to make the XL."*

*The CEO nervously tapped his pencil on the conference table. "But the XL will have a fundamentally different shape and performance requirements than our other cars. Are you confident that this same steel will work?"*

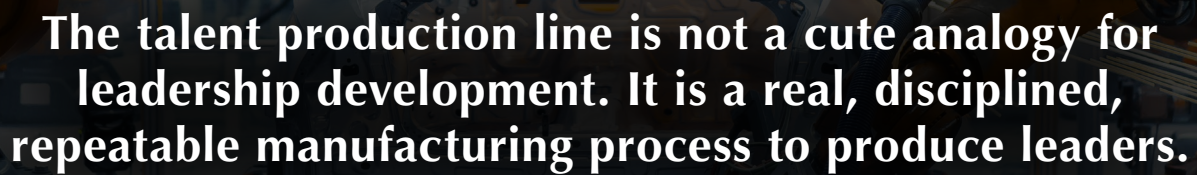
*"I can't predict that exactly," Brad responded, "but this steel has performed well for us in the past, so I assume we can build an XL from it too."*

*Rapidly losing confidence in Brad's abilities, the CEO probed for more details. "Tell me how you plan to actually produce the XL." Brad sensed the opportunity to ask for an investment. "Well," he started, "if we could buy that new metal stamping machine, we could run all of the steel through that."*

*The now highly agitated CEO leaned forward. "But not all of the metal needs to be stamped," he snapped, "and it certainly takes more than that to produce a car!"*

*"Brad," he continued, "we absolutely must have Panther XLs coming off the production line within 5 years or this company will fail. We need a disciplined, repeatable process for manufacturing this car. Can you promise me that we'll have high quality XLs in five years if we do everything you say?"*

*Brad hesitated. "My manufacturing team can provide a lot of resources and tools that support building a car. I'm not sure what else we can do."*



# The talent production line is not a cute analogy for leadership development. It is a real, disciplined, repeatable manufacturing process to produce leaders.

**It's difficult to imagine that conversation** actually taking place in any manufacturing environment. After all, we would expect someone who's responsible to manufacture a product to clearly understand what they're building, the raw materials it requires and how to create a consistent, disciplined process to manufacture it.

So, if your CEO asked you to describe how HR planned to manufacture your company's next generation of leaders, would your response be any better than Brad's?

## **The Need for A Talent Production Approach**

In too many organizations the plans for producing leaders are as shaky as Brad's plan for producing the Panther XL. These organizations haven't clearly defined the type of leader they need. They can't accurately predict which current leaders can be shaped into future leaders. They don't understand the specific sequence of actions that will produce the desired capabilities.

We can do better. We can manufacture talent the same way that we manufacture any other product. We can create talent production lines that use disciplined and consistent production processes to build leaders to our organization's exacting specifications. Most importantly, we can promise our organizations that the capabilities they've ordered will be delivered on time and on budget.

The talent production line is not a cute analogy for leadership development. It is a real, disciplined, repeatable manufacturing process to produce leaders. Its success requires that we structure and manage talent production as we would any other production process. It also requires that HR meaningfully increases its own production management capabilities.<sup>1</sup>

## **Creating the Talent Production Line**

An effective human resource team should be able to design and operate a real talent production line. By "real", I mean that just as an automobile production line produces cars, a talent production line should actually produce talent.

Building your talent production line requires four steps:

### **1. Set Your Specifications**

When you run a talent production line you're manufacturing a highly customized product. Your first step is to clarify your customer's needs and to create specifications for a product that can actually be built. You need to understand:

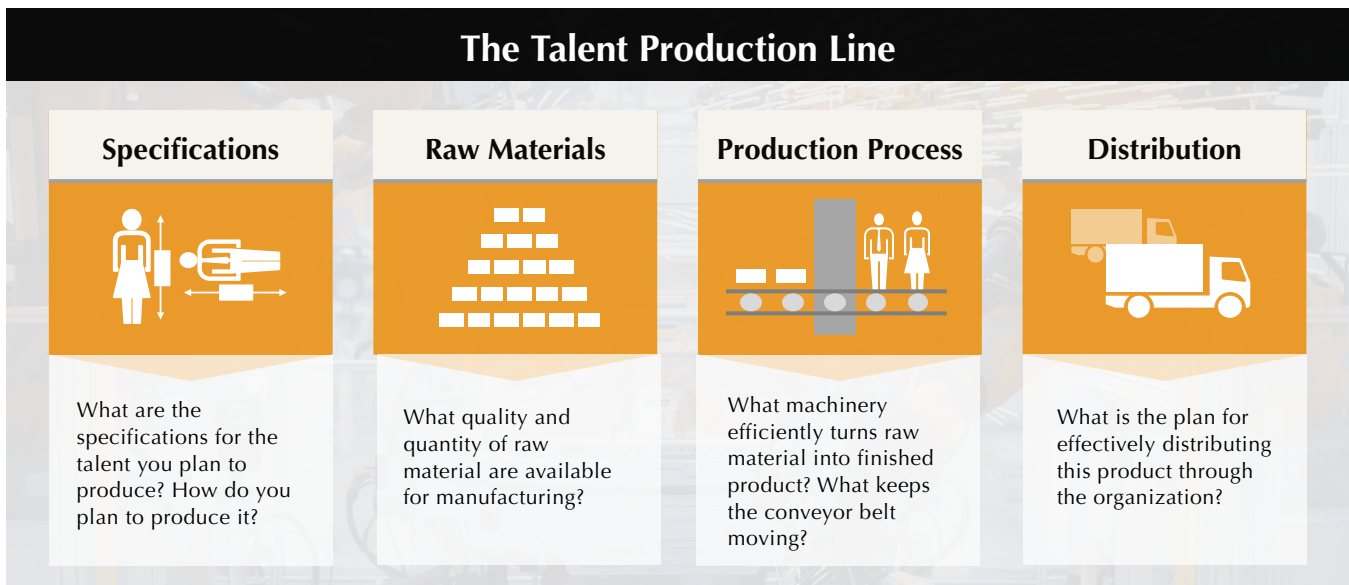
- **What does great look like?** To produce a great product you first need to define great. What makes someone a great GM at your company? What about a great Finance leader? What exactly is it that you're trying to build?

To define "great" throw away your competency cards and ask your customers to describe what they want the finished product to do. You'll hear their specifications described in real-world language that makes it easier to design an actual production process.

Your description of "great" is the heart of your production process. It should guide how you assess your raw material, how you design your production line and how you measure success.

- **Are you focusing on the vital few?** The more design specifications you have for a product the more difficult, expensive and time consuming it is to manufacture. Identify

# The Talent Production Line



five or fewer specifications to ensure that you can flawlessly produce your product in a reasonable timeframe.<sup>2</sup>

How your company defines great for a particular role should be somewhat different than how your competitor would define it. If you can't identify those unique factors then you'll be producing the exact same product as your competitor and creating no competitive advantage.

## 2. Assess your Raw Material

Success in this production step requires understanding what raw material is in your company and, more importantly, if it's suitable for producing your product.

The two key questions to answer are:

- **Do you understand what raw material is available?** What capabilities, behaviors and skills are currently in your organization? This shouldn't require sophisticated technology to determine. A regular and fact-based talent review process should provide the needed information.
- **Is it possible to turn this raw material into a finished product?** A more challenging step is to assess whether this raw material has the potential to become your desired product. What facts do you have that suggest that it can be transformed into the new

product you've designed? Are you predicting based on personality traits? Demonstrated behaviors? Budding capabilities?

The accuracy of your prediction is critical. A higher level of accuracy today means less waste generated in the production process tomorrow.

## 3. Build your Production Process

We are fortunate in HR to have research that tells us which tools are most effective in building employees' skills and capabilities. Our challenge is that we don't always apply the right tool at the right time – either through lack of planning or lack of courage.

We also rarely think about the order of the production process – which activity should come first, second and third to most effectively manufacture the product.

To ensure you can produce the talent you've specified, you must be able to answer:

- **Do you have a process that can actually manufacture this talent?** If you have the right specifications and raw materials, do you know what series of feedback, assignments, coursework, coaching, et al. is guaranteed to manufacture it successfully?
- **Do you have the right machinery?** If you are clear about the manufacturing process, do you have the tools available to

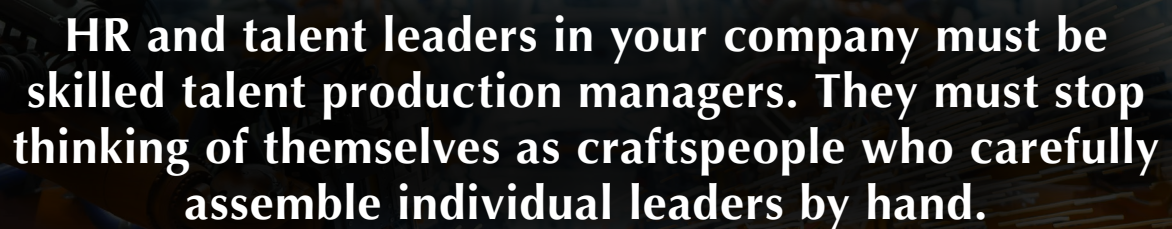


manufacture the product? For example, if a key production step involves moving a leader through a specific role, will that role always be available when needed and in the right quantity?

- **Is the machinery arranged in a way that produces talent?** A key aspect of a production line is that it's linear. Raw material enters the process at the front of the production line and emerges at the other end. Does your talent manufacturing process consistently move your raw materials through a well-defined series of production activities?

the correct location, you need to answer:

- **Do you know how to get the product to where it's needed?** Do you have the ability to quickly and easily move this product around the globe at a low cost? The more it costs to deliver that product, the less profitable it will be.
- **How will you control distribution?** If you build a great product, it will be in high demand. What process will you have to logically allocate the product? If your product isn't in high demand, this is a good time to reexamine your specifications.



**HR and talent leaders in your company must be skilled talent production managers. They must stop thinking of themselves as craftspeople who carefully assemble individual leaders by hand.**

- **How will you keep this production line moving?** Congratulations if you've built a talent production line that's capable of producing the leadership or management product you need. How do you plan to keep that production line moving?

If it takes three assignments, two projects and one educational experience to produce your product, you need to ensure that the product moves through those manufacturing steps at the right pace. Who's accountable for the production line actually producing talent?

#### **4. Manage your Distribution**

Getting your finished leadership or management product to the right location can be more difficult than it might appear. The owner of the product might not want to release it. You might not have the ability to move that product to where it's in demand. Someone might step in front of your customer and take the product.

To make sure that your finished product gets to

#### **Enabling the Production Line**

If you can affirmatively answer these production questions (see a summary in Figure 1), then your company is poised to produce higher quality talent more quickly than your competitors. But, just because you've built a talent production line doesn't mean that it's actually going to run.

#### **Two other elements must be in place:**

- **Increase Talent Production Capabilities:** HR and talent leaders in your company must be skilled talent production managers. They must stop thinking of themselves as craftspeople who carefully assemble individual leaders by hand.

Their new job is to be the production manager on the talent factory floor. They must understand how to set clear product specifications, build the production line and keep it moving no matter what obstacles appear.<sup>3</sup>

- **Take Accountability:** As with any other manufacturing process, while many hands are involved, someone is ultimately responsible for building a complete, high quality product. If HR builds and operates the talent production line, it's only fair that they take a large share of the responsibility for its successful operation. This means that HR's metrics should be production outcomes (i.e. number of GMs delivered on-time at quality standards), not process measures (ran a development course eight times).

**When you apply a manufacturing mindset to producing talent**, it also allows you to apply other helpful manufacturing tools. Lean Manufacturing states that using resources for any goal that doesn't create value for the end customer is wasteful and should be eliminated. If you audited your talent management and leadership development activities against that standard, how many of them could prove their value?

## Doing Better

In her recent book *The End of Leadership*, Harvard University's Barbara Kellerman states that:

*"For all the large sums of money invested in the leadership industry, and for all the large amounts of time spent on teaching leadership, learning leadership, and studying leadership, the metrics are mostly missing. There is scant evidence, objective evidence, to confirm that this massive, expensive, thirty-plus-year effort has paid off."*

We can do better. By applying a disciplined manufacturing approach, we can build talent at the pace and to the specifications that our customers demand. Creating talent production lines is well within our capabilities. All we need now is the courage and capabilities to make it happen.

## How Effective is Your Talent Production Line?

**Assess your current talent production process against these key questions.**

**Answer either "Yes" or "No"** – a production line doesn't work if your response is "we're trying" or "it's in our plan for next year."

Process	Yes	No
<b>Specifications</b> 1. Do you know what great looks like in your organization? 2. Are you focusing on the few, differentiating specifications?		
<b>Raw Materials</b> 1. Do you understand what raw material is available? 2. Is it possible to turn this raw material into a finished product?		
<b>Production Process</b> 1. Do you have a process that can actually manufacture this product? 2. Do you have the right machinery?		
<b>Distribution</b> 1. How will you get the product to where it's needed? 2. How will you manage distribution?		

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