

CHAPTER 11

Introduction to Talent Management

Acquiring and Retaining the Talent Essential to Success

T. Craig Williams, Ph.D., SPHR

Sy Atezaz Saeed, M.D., M.S., FACPsych

Most of us spend a significant portion of our lives working as part of an organization. In analyzing various definitions of an organization, three fundamental components emerge: *goals*, *structure*, and *people* (Wrench 2013). However, underneath these three components is a complex entity that functions through the integration of highly interdependent work processes and supporting systems. In its simplest form, a work process converts inputs into outputs through tasks and activities. These tasks and activities define our work within organizations. Work processes are supported and enabled by various technological, methodological, procedural, and information systems. Collectively, these processes and supporting systems must be optimally *structured* or designed to work together in order for an organization to achieve its fundamental business *goals*, such as providing services to patients.

Most mental health care organizations employ similar diagnostic, treatment, and operational strategies and function in similar environments (e.g., laws, regulations, financing). However, the key differences from other types of organizations are the unique abilities, perspectives, and experience of mental health care professionals. Of the three defining components of an organization noted earlier, the catalyzing and sustaining variable is *people*. Without people and the talent they bring to the organization, nothing happens. Without the knowledge, skills, relationships, and innovations of people, an organization simply does not exist. Simply put, organizations are designed and built through the talent of people, and they function and are sustained through the

talent of people. However, some organizations are better than others at maximizing their investment in people, which translates to better performance and results.

High-performing organizations consistently meet or exceed their goals, and driving this outcome are high-performing and highly engaged employees who focus their talent on organizational success. Engaged employees are not simply happy or satisfied; they are highly involved in and enthusiastic about their work and workplace (Gallup 2017). Highly engaged employees produce outstanding results and are more willing to go beyond what is expected in their work; they are willing to invest discretionary energy and effort to help their organization meet its goals (Gebauer and Lowman 2009; Harter et al. 2002; Holbeche 2005). Engaged employees are more likely to stay with their organization, feel a stronger bond to the organization's purpose and mission, and build stronger relationships with patients or customers. Additionally, an engaged workforce produces superior business results, regardless of the industry or business sector, company size, nationality or location, or economic conditions (Gallup 2017; Merry 2014).

Disengaged employees are psychologically unattached to their work and organization (Gallup 2017). They are putting time into their work, but not necessarily their discretionary energy, effort, and passion. More concerning are employees who are actively or highly disengaged. This group is clearly unhappy and may behave in ways that are undermining their coworkers and the organization. Gallup (2017) reported that actively disengaged employees are twice as likely to leave the organization, contributing to costly turnover. Additionally, those who do not leave are more likely to contribute to poor outcomes, negatively influence their coworkers, miss workdays, and drive patients or customers away.

There are several important drivers of high employee engagement, such as career growth and opportunity, rewards and recognition, job fit, and organizational culture (Aon 2017a; Gallup 2017; Mone and London 2009). However, it can be argued that the most important driver of engagement is leadership. Not only can good leaders influence individual employees and teams, but also organizational leaders are ultimately responsible for decisions associated with all other drivers of both employment performance and engagement. To build and sustain organizational success, leaders must actively manage the organization's talent, including all processes essential to acquiring, developing, and retaining that talent. In addition, leaders must be skilled in change planning and management. An essential element of all organizations is change. Leaders must effectively prepare and help employees through change, with the goal of minimizing the negative effect on performance and engagement (Anderson 2017; Burke 2002; Kotter 1995, 1996; Kotter and Schlesinger 2008).

Nothing happens in an organization without people, and leadership is the catalyst and essential ingredient in ensuring that the organization has the talent it needs to serve patients now and into the future. Effective talent management is both a critical leadership competency and a leadership responsibility.

What Is Talent Management?

Talent management involves identifying the talent needs of an organization based on business goals and building and executing a strategy for acquiring, retaining, and developing the value of this talent. Talent management must be aligned with the orga-

nization's broader strategic goal-setting and planning process (Wellins et al. 2006). Additionally, talent management cannot be fully delegated to consultants, human resource management professionals, or a human resources department (Ashkenas 2016). Talent management is the responsibility of leadership at all levels and across all functions within an organization. As illustrated in Figure 11-1, talent management involves a few highly interdependent processes that must be carefully designed and executed to ensure that talent is available when and where it is needed and to ensure that this talent is both high performing and highly engaged. These processes include

- Workforce planning
- Talent acquisition (including recruiting and employee selection)
- Training and employee development
- Onboarding and socialization (deployment)
- Performance management

All talent management processes must be aligned to the organization's vision, including its fundamental purpose and enterprise mission or goal (Collins and Porras 1996). It is critical that employees understand all components of their organization's vision and have a clear line of sight concerning how their work fits into and contributes to the vision. Each leader within the organization is responsible for ensuring this understanding and clarity among his or her employees. Additionally, talent management is influenced by the organization's culture, which is defined by its *purpose, values, beliefs, and ethics*. Cultural alignment is critical to the success of talent management efforts and ultimately to sustaining the long-term success of the organization. Many other human resource management processes and systems provide critical input to talent management, such as workforce analysis, job design, and compensation. Also, adherence to employment laws and regulations, supporting employee policies, and integration of human resource management technology are essential ingredients of success. In a word, *alignment* of vision, culture, and supporting processes and systems is critical to successfully optimizing investments in talent.

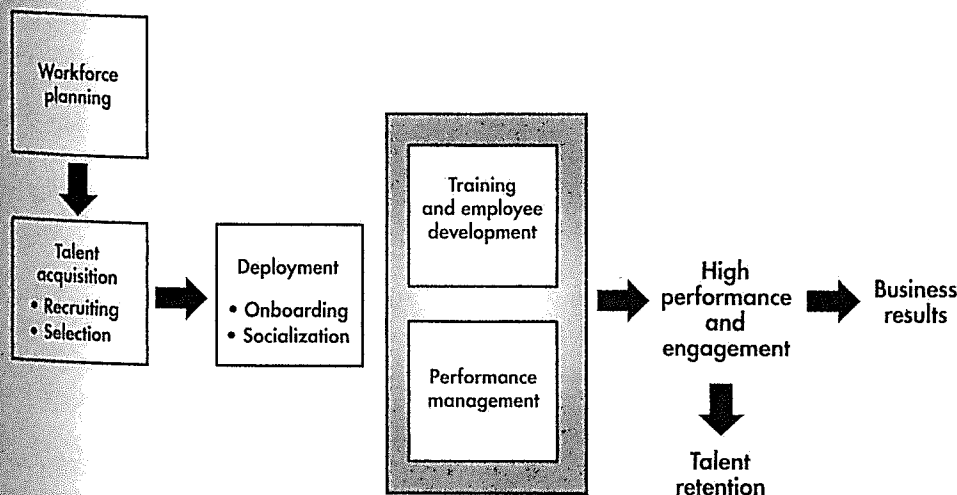


FIGURE 11-1. Talent management process.

Workforce Planning

Dr. F works for a rapidly growing practice in a major metropolitan area. This practice currently has 85 practitioners and staff, with three offices located in growing areas of the city. Growth plans include adding two additional offices in the current area and expanding into two additional cities in the region. In order to meet its growth objective, the organization has established a workforce planning committee and appointed Dr. F as the chairperson. In addition to her own practice, Dr. F manages the operations of one of the organization's three current offices. Although Dr. F has experience in staffing, this experience can best be described as reactive, with recruiting and selection being initiated and managed as positions need to be filled. Dr. F knows that much more will be required to develop and execute a workforce plan to meet the organization's long-term growth objectives. In preparing for the committee's first meeting, Dr. F has been evaluating the organization's staffing resources and past practices. Standard job descriptions exist, but they are basic and have not been reviewed in a long while. Like her own staffing practices, other leaders typically hire as needed, and external search consultants are often used to find experienced talent. In addition, the organization has never developed an enterprise-wide workforce plan, with each office left to justify new positions or fill existing positions as needed. Dr. F knows that much more work will be needed to assess current staffing and determine talent needs over the next 3–5 years.

- What specific questions do Dr. F and the committee need to address about the organization's current talent and staffing practices? What data are important to addressing these questions?
- What specific questions must be addressed to determine future talent needs? What data are important to addressing these questions?
- As the organization grows, how can the organization ensure that it has the leadership talent needed to drive and sustain both high performance and high engagement?

Successful talent management begins with *workforce planning*. The success of workforce planning is dependent on its alignment with the organization's broader strategic goal-setting and planning process. Without understanding the future direction and needs of the organization, talent management is reactive and short-term in its focus. Leaders will largely make decisions based on immediate local needs, without understanding the longer-term effect on talent resources and organizational goals. Workforce planning also must consider anticipated external and internal changes that will affect talent needs, the effect of change on organizational culture, and the need to build a diverse and inclusive workforce. The output of work analyses and job design also serves as input to the workforce planning process.

Ultimately, all input is translated into a demand forecast, which includes the specific types and numbers of employees that will be needed to meet current and future organizational goals. Timing is a critical component of the demand forecast, providing estimates of when employees must be ready, on board, and in position. The demand forecast also should include the type and number of employees by function and level, pushing the forecast down and throughout the organization.

As shown in Figure 11–2, once a forecast of talent demand is developed, the internal supply of the requisite talent is assessed. This requires an assessment at some level of the knowledge, skills, abilities, other characteristics, and competencies of current employees. This can be accomplished through ad hoc leader reviews of employees or

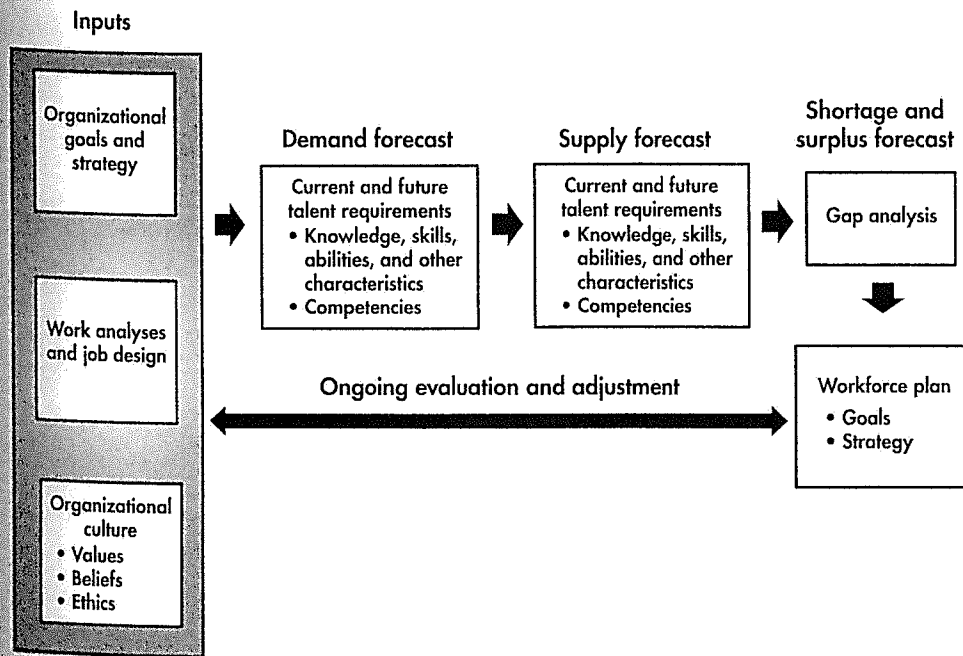


FIGURE 11-2. Workforce planning process.

through the performance management process. This assessment must include estimates of current talent availability and future availability as employees gain expertise over time. Fundamentally, this work provides a forecast of internal supply.

With both internal demand and supply forecasts in hand, the next step is determining gaps or forecasts of both talent shortages and surpluses. Additionally, demand and supply forecasts of external talent are a critical input to workforce planning. If there are (or will be) internal shortages of needed talent, the workforce plan must consider both internal and external sources and strategies for closing gaps. Internal talent can be developed, and new employees with the requisite talent can be hired from outside the organization. Based on these forecasts, both internal and external, specific strategies and plans can be developed to address the gaps. Tables 11-1 and 11-2 provide a guide in considering options for addressing both talent surpluses and shortages.

Another key component of the workforce planning process is succession planning, which is defined as the process of identifying and tracking high-potential employees who are capable of moving into different roles in the organization (Noe et al. 2019). Openings can be planned or unplanned and result from turnover, promotions, or business growth. High-potential employees are those who possess the capabilities essential to success in positions of greater responsibility and accountability. Succession planning requires the identification of the positions that must have a pipeline of talent either ready or being developed to move into the target positions. An organization is said to have bench strength when it has a pool of talent ready for greater responsibility and accountability. Succession planning can target critical leadership and professional positions and must be strongly supported by the organization's performance management and employee development processes.

TABLE 11-1. Options for reducing a talent surplus

Option	Speed of results	Negative effect on people
Downsizing	Fast	High
Pay reductions	Fast	High
Demotions	Fast	High
Transfers	Fast	Moderate
Work sharing	Fast	Moderate
Hiring freeze	Slow	Low
Natural attrition	Slow	Low
Early retirement	Slow	Low
Retraining	Slow	Low

Source. Reprinted from Noe RA, Hollenbeck JR, Gerhart B, et al: *Human Resource Management: Gaining a Competitive Advantage*. New York, McGraw Hill Education, 2019, p. 197. Used with permission. Copyright ©2019 McGraw Hill.

TABLE 11-2. Options for avoiding a talent shortage

Option	Speed of results	Flexibility (ability to change later)
Overtime	Fast	High
Temporary employees	Fast	High
Outsourcing	Fast	High
Retrained transfers	Slow	High
Turnover reductions	Slow	Moderate
New external hires	Slow	Low
Technological innovation	Slow	Low

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Talent Acquisition

Dr. F and her committee have completed development of a comprehensive workforce plan for the organization. This plan is detailed, addressing the specific talent needed for the organization to meet its 3- to 5-year growth objectives. This plan now must be used to develop operational plans to attract, select, and retain talent through a culture that facilitates both high performance and high engagement. This of course requires that all human resource management processes promote and reinforce this culture. Dr. F's committee will continue to evaluate progress and adjust the workforce plan, in step with the organization's annual strategic planning process. However, to make the workforce plan a reality, the organization has established several operational subcommittees to drive the work needed for success. Dr. G, a member of the workforce planning committee, has been selected to lead the talent acquisition subcommittee. Specifically, Dr. G's challenge is to develop a recruiting and selection strategy and associated poli-

cies and tools for ensuring a pipeline of the best talent available for each key position identified in the workforce plan.

- To focus recruiting efforts, what recommendations would you have for external sources of clinical talent? Would these sources be sufficient for leadership talent, or would other sources be necessary? How would you source talent for supporting staff or administrative roles?
- In focusing on clinicians, what recommendations would you have for encouraging talented people to apply for open positions? How would you ensure that an adequate pool of talented applicants is available for the selection process?
- What type of selection interview would you recommend for clinical job candidates? Would you use other forms of assessment, such as measures of cognitive ability, achievement, personality, or integrity?
- What recommendations would you have for sourcing and recruiting internal talent for open positions?

Talent acquisition includes two key talent management processes: *recruiting* and *selection*. Talent acquisition goals, strategy, and metrics must be driven by talent needs identified in the workforce plan. Driven by the workforce plan, the objectives of the talent acquisition process are to have the right number of people with the right talent in the right place at the right time, and at the right cost to the organization.

Recruiting and hiring the right talent are crucial to an organization's success, and mistakes are costly. In one survey, companies reported losing an average of \$14,900 on every bad hire, and many companies make this mistake, with 74% reporting that they have hired the wrong person for a position (CareerBuilder 2017). Based on a second-level manager earning \$62,000 per year, terminated after working in the position for 2–5 years, the estimated cost of a bad hire can be more than \$840,000 (Sundberg 2022). This number includes recruiting and selection costs, total compensation, employee administrative costs, disruption costs, severance, mistakes, failures, and missed business opportunities. Just the cost of recruiting, hiring, and onboarding a new employee can be as high as \$240,000 for higher-level professional and leadership positions (Frye 2017). The U.S. Department of Labor estimates that the average cost of a bad hiring decision can equal 30% of the individual's first-year potential earnings (Cardenas 2014). Regardless of how one estimates the cost, it pays to build an effective and efficient talent acquisition process.

Recruiting

The talent acquisition process begins with recruiting, which involves identifying and attracting potential employees with the requisite talent to the organization. One of the primary objectives of recruiting is supplying an adequate pool of qualified applicants for each open position who are motivated and capable of doing the required work for what can be paid. The labor market is the external pool of talent from which an organization draws job applicants and can be quite large depending on the nature of the job and geographic areas targeted. To save both time and money, and increase the probability of successful hires, the recruiting process must be designed to attract applicants from the labor market who are qualified for open positions. A qualified applicant either meets or exceeds the minimum talent requirements for a position, and an effective recruiting process crafts and communicates information in a way that attracts the qualified and not the unqualified.

An open recruitment strategy involves casting a wide net to identify and attract qualified applicants, whereas a targeted recruitment strategy identifies specific seg-

ments in the labor market where qualified applicants are likely to be (Heneman et al. 2019). Targeted recruitment can be more effective because specific messages can be tailored for a well-defined population. For example, one could openly recruit medical technicians via a public job board or deliver a specific recruiting message to job seekers during a professional conference. Target groups for recruiting can include those with specific knowledge, skills, abilities, other characteristics, and competencies; diverse job seekers; students; military veterans; current employees who may be interested in new opportunities; temporary employees (employed from an external agency); contractors; and former employees who may be interested in returning to the organization. Other target groups can include passive job seekers who are employed and not actively looking for a new role. The choice between an open and a targeted recruitment strategy depends largely on the nature of the positions to be filled, the supply and availability of the specific talent needed, how critical the work is to the organization's core business, the organization's diversity goals, and the level of urgency associated with filling the positions.

Internal recruitment involves encouraging current employees to apply for open positions. Internal recruitment can also include encouraging qualified employees to accept promotions, job transfers, or reassignments, which can be referred to as closed recruiting (Lussier and Hendon 2019). Possible advantages of internal recruitment include greater certainty of organizational fit and future performance and higher engagement and retention through active and visible support of employee career development. One possible disadvantage of internal hires is that they may have limited external experience or a myopic view of the organization's business context and challenges. It is also important to ensure clarity and openness in the internal recruitment process to reduce perceptions of political influence on hiring decisions.

For more general internal recruiting efforts, a job posting is required to communicate key information about the open position. Job postings typically include a summary of tasks, duties, and responsibilities, as well as minimum and preferred qualifications. Job postings should be made available through multiple sources where employees can see and access the information. To ensure fairness and consistency, organizations should have an internal recruitment policy, specifying the job information that must be included on an internal job posting, how employees should apply, how long postings are active, when a job can be reposted if necessary, support for equal employment opportunity, and requirements for communication to applicants regarding their application.

External sources of talent include direct applicants, who seek out and approach the organization for employment; referrals; job boards; websites; social media; public and private employment agencies; private search firms; professional associations and meetings; job fairs; co-ops and internships; colleges and universities; and temporary employees or contractors. Employee referral is one of the most effective sources of talent, with a high percentage of referrals resulting in successful hires (SilkRoad 2017). It is recommended that organizations encourage their employees to refer applicants, perhaps by offering incentives when a referral is hired. A possible advantage of external hires is broadening of expertise, experience, and perspective, leading to new ideas and innovation. Of course, organizational fit and future performance are more uncertain.

The internet is now a powerful force in recruiting, with external job boards and search engines such as Indeed, LinkedIn, and CareerBuilder providing job seekers access to employment information. Additionally, many organizations now have their

own job boards available to external job seekers via their website and available to employees via their intranet. SilkRoad (2017, 2018) reported that 72% of new hires are now sourced online, and providing access through mobile devices is becoming more important to job seekers. Additionally, the mobile experience must be simple and easy to navigate. The use of social media has become an essential tool for recruiting. The Society for Human Resource Management (2017) reported that 84% of companies use social media in recruiting, and approximately 40 million people look for jobs using LinkedIn every week (Cohen 2020).

It is critically important to evaluate both the effectiveness and the efficiency of all applicant sources in the recruiting process. Effectiveness refers to the yield ratio, which expresses the percentage of applicants who successfully move from one stage of the talent acquisition process to the next (Noe et al. 2019). Efficiency refers primarily to overall cost and cost per hire for a source. Table 11-3 provides hypothetical data illustrating yield ratio, overall cost, and cost per hire. Comparing data across sources helps determine which work best in attracting the talent needed. Of course, many other factors must be considered in assessing sources, such as the nature of the job, availability of talent in the labor market, and urgency in filling open positions.

At some point, applicants will speak to a recruiter. This person can be a professional in the organization's human resources function, the hiring manager, a member of the work team, or an external search consultant. Regardless of who interacts with a job applicant during the recruiting process, it is clear that these individuals will influence his or her early reactions and attitudes (Connerley 2013; Rynes et al. 1991; Saks and Uggerslev 2010). To improve the performance of recruiters, it is important to provide them with training on appropriate behavior and coaching based on applicant feedback. Recruiters must be warm and approachable, avoid offensive behavior, and provide timely feedback to applicants concerning their status in the process. For example, applicants report their top five frustrations as follows (SilkRoad 2018):

1. No information about where they stand as a candidate
2. Applications that take too long to fill out
3. Uploading the resume but still having fields to fill out
4. Not receiving an acknowledgment receipt after submitting the application
5. Having to customize documents for every job

Regardless of the technology and device, applicants may give up if the application process is overly complex, frustrating, and time-consuming.

To attract job applicants, an accurate and compelling message must be crafted and effectively delivered. This message must communicate the organization's culture, purpose, and business mission or direction; specific job information; the nature of the work environment; and opportunities for individual development and career growth. All elements, including message, technology, sources, and the recruiter, must be carefully integrated into an overall recruiting strategy that will attract the needed talent and provide input to the selection process.

Selection

Selection is the process of choosing the best-qualified candidate from the pool of candidates who were recruited for a given job. Put another way, selection involves

TABLE 11-3. Hypothetical yield ratios, total cost, and cost per hire for recruitment sources

Source	Job board	Employee referral	Executive search firm
Resumes generated	500	50	20
Interview offers accepted	400	45	20
Yield ratio (%)	80	90	100
Applicants evaluated as acceptable	50	40	19
Yield ratio (%)	12	89	95
Employment offers accepted	25	35	15
Yield ratio (%)	50	88	79
Cumulative yield ratio	25/500 (5%)	35/50 (70%)	15/20 (75%)
Total cost (\$)	20,000	15,000	90,000
Cost per hire (\$)	800	428	6,000

Source. Adapted from Noe et al. 2020, p. 157.

making the crucial decision about who will be invited to join the organization. An effective selection process also minimizes the risk of negligent hiring. The doctrine of negligent hiring involves employer liability associated with harm inflicted on others by its employees in the course of working for the organization when the employer knew or should have known of the employee's potential to cause harm (Clark 2019). As part of the selection process, reference checks and background checks are critical to identifying potential problems.

To increase the probability of a successful hire and avoid negligent hiring risk, assessment tools or tests must be used to assess job applicants and candidates against the required knowledge, skills, abilities, other characteristics, and competencies identified through work analysis and job design. It is also important to assess the candidate's fit with the organization's culture, working environment, and realities associated with work flexibility, levels of authority, human resource policies, and career growth. When an application is accepted for further assessment and screening, the status of the applicant transitions to that of job candidate. As illustrated in Figure 11-3, the selection process can involve multiple assessment and screening steps, with the population of candidates decreasing with each step. Additionally, with each step, the objective is to find the best-qualified candidates and advance them in the process. The selection process can use one or both of the following models:

- *Multiple-hurdle or minimum-cutoff model:* job candidate must meet the minimum requirements or cutoff score for each stage in the selection process to proceed to the next stage; the job candidate exits the selection process if he or she fails to meet the minimum requirement or cutoff score for a stage.
- *Compensatory model:* high scores on one measure or assessment can counterbalance or make up for low scores on another measure or assessment.

Typically, both the multiple-hurdle and the compensatory models are used in the selection process. For example, a job candidate will need to meet specific require-

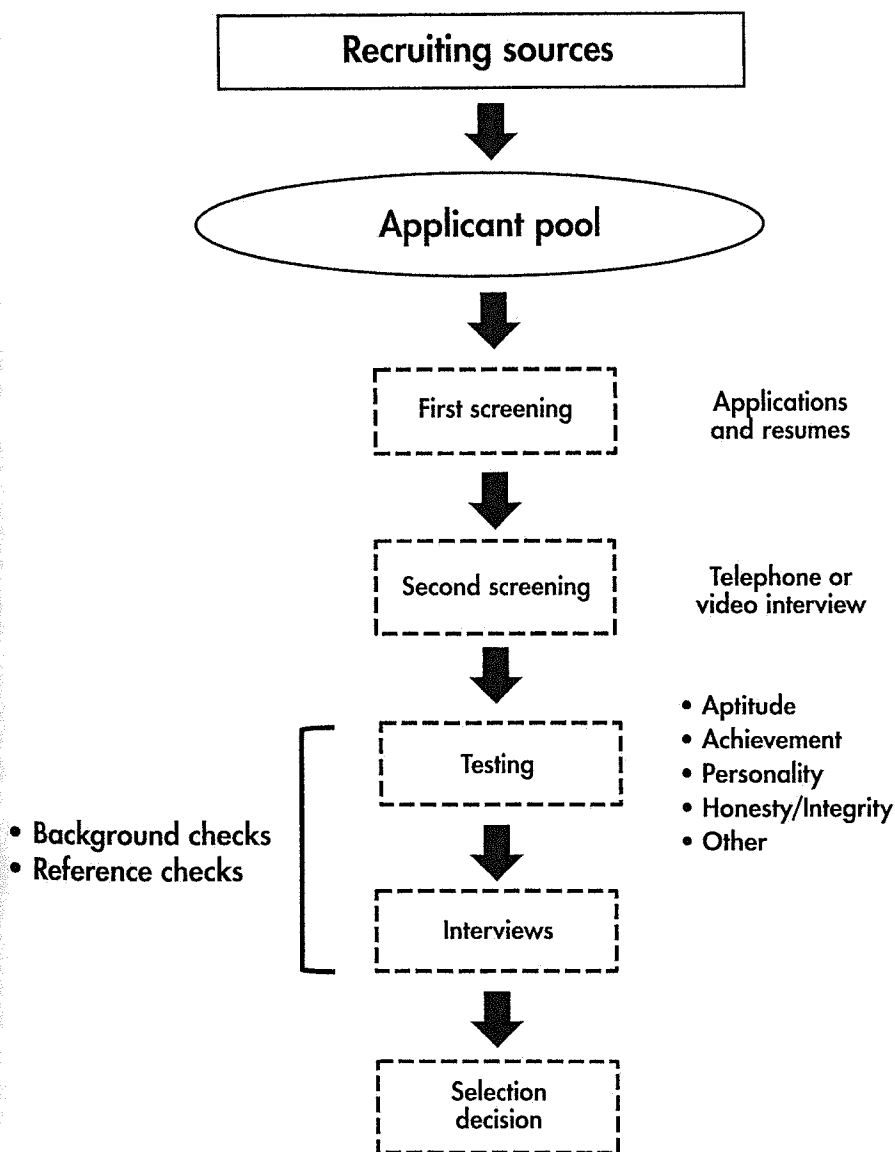


FIGURE 11-3. Employee selection process.

ments or hurdles through the screening and testing stages to remain in the process (Figure 11-3). The best candidates then enter the interview stage. At this point, the compensatory model is applied in assessing candidates' relative strengths and weaknesses in light of the job requirements and broader organizational talent needs.

Assessment and screening of job candidates may involve the use of testing. Basically, testing involves measuring the differences between individuals on specific variables of interest. In terms of selection, the focus is on job-related variables identified through a work or job analysis. Tests can include measures of aptitude (including cognitive ability and physical ability), achievement (knowledge and skill), personality, honesty or integrity, drug use, and physical condition. These variables can be as-

essed through written tests, job simulations, job samples, and interviews. Testing also can be supported through technology, with measures being designed for administration and scoring through computing and internet resources.

Regardless of how variables are measured, all tests must be 1) job related, 2) reliable, and 3) valid, and organizations must be able to provide evidence of these three requirements. As noted, tests must provide measures of knowledge, skills, abilities, other characteristics, and competencies required to perform the job successfully. Measures must be linked to job requirements. Reliability refers to the stability and consistency of a measure. As the level of random error increases in a test, the test becomes more unstable and inconsistent in its results. Validity refers to the extent a test measures what it is designed to measure. The federal Uniform Guidelines on Employee Selection Procedures (Equal Employment Opportunity Commission 1978) state that a test may use the following procedures in demonstrating validity:

- *Content validity*: shows the level of consistency between test questions and problems and the situations and problems that occur on the job
- *Criterion-related validity*: shows the correlation or relationship between test scores and measures of job performance; includes two general methods:
 1. *Concurrent validation*: establishes the correlation between test scores of employees currently in the job and measures of their job performance
 2. *Predictive validation*: establishes the correlation between the test scores of job applicants and the future performance of those who are hired (more complex and time-consuming but typically provides a better estimate of validity than concurrent methodology)
- *Construct validity*: assesses the degree to which a test measures a theoretical concept or trait that is not directly observable, such as intelligence or integrity; the theoretical concept or trait must be job related and critical to performance (this measure of validity is more difficult to demonstrate, making content and criterion-related validation the more common approaches within organizations)

Table 11-4 lists useful sources of information about the employee selection process and employment testing.

One of the most common methods for assessing job candidates is the *selection interview*. Generally, interviews can range from highly unstructured to highly structured. Structured interviews use prepared questions aligned to required knowledge, skills, abilities, other characteristics, and competencies. The most effective questions target examples of past behavior, which can lead to higher validity (Campion et al. 1994; Ellis et al. 2002; McDaniel et al. 2001; Pulakos and Schmitt 1995). Situational questions also can be used, which provide a job-related situation or scenario and ask candidates to explain what they would do. Although not as effective as questions targeting past experience, situational questions can be effective in assessing knowledge and judgment. The interview is a costly selection tool and should be used later in the process with a smaller pool of highly qualified candidates.

The effectiveness of interviewing can be increased by using a structured design with behaviorally based questions, using standardized scoring tools and methods, training interviewers, and using multiple interviewers (including several one-to-one interviews and panel interviews). Interviewer training should focus on interview

TABLE 11-4. Helpful sources of information for employee selection process and employment testing

<p>"Employment Testing" (Society for Industrial and Organizational Psychology 2019)</p> <p><i>The Twenty-First Mental Measurements Yearbook</i> (Carlson et al. 2021)</p> <p><i>Standards for Educational and Psychological Testing</i> (Joint Committee on the Standards for Educational and Psychological Testing 2014)</p> <p><i>Tests: A Comprehensive Reference for Assessments in Psychology, Education and Business</i> (Maddox 2007)</p> <p>"Employment Tests and Selection Procedures" (Equal Employment Opportunity Commission 2007)</p> <p>"Adoption of Questions and Answers to Clarify and Provide a Common Interpretation of the Uniform Guidelines on Employee Selection Procedures" (Equal Employment Opportunity Commission 1979)</p> <p>"Getting Candidate Selection Right" (Aon 2017b)</p>

management, questioning techniques, avoidance of ratings errors, data recording techniques, and scoring procedures. Other selection tests may be integrated into the selection interview, such as written tests and job simulations. However, all tests must be job related and valid. An effective questioning and data recording technique is STAR, focusing on information associated with the *situation or task* (context), *actions* taken, and *results* achieved. As with other selection methods, the interview can incorporate technology, such as conducting interviews remotely using video or streaming.

As with the recruiting process, it is important to consider utility. Selection tests and methods with high utility cost significantly less than the value of the organizational benefits realized through their use (Noe et al. 2020). Also, communication to job candidates must be handled professionally and in a timely manner. For the selected candidate, the organization must communicate a clear job offer that includes a description of the job, work schedule, compensation, benefits, work location, starting date, and any further hiring requirements, such as a drug test and medical examination. Negotiation concerning compensation, benefits, and other work arrangements may be part of the process for some jobs. It is also important for the organization to communicate a deadline for the candidate's decision. Communication to the final candidates not selected is also important and must be handled with care. Timing of such communication may be dependent on the deadline for the selected candidate's acceptance or rejection decision.

Training and Employee Development

As a senior health care professional, Dr. H is very busy with her patients and research. She is also writing a textbook in collaboration with a colleague. On Monday morning, she receives an email that she is required to attend a training program focused on professional development. The program is a full day at an off-site location, and participation is mandatory. Dr. H is furious. In her opinion, the last two programs she attended were a waste of valuable time. She is not opposed to training, and she has attended useful programs in the past. She wonders how this upcoming program is relevant to her job and professional growth. Why was she selected for this particular program? Dr. H

is thinking about discussing her concerns with her manager. Perhaps she can find a way to avoid attending so that she can focus on her work.

- What frustrations have you experienced with training and developmental programs? What leads to frustration and resistance to training and development efforts in organizations?
- What practices are essential to ensuring that training and development efforts are effective?

Both employee training and development involve improving or learning new knowledge, skills, abilities, characteristics, competencies, and behaviors. Training and development are not synonymous concepts. *Training* refers to a planned effort to facilitate learning of job-related knowledge, skills, abilities, other characteristics, competencies, and behaviors, and *development* involves learning associated with future job or career opportunities (Noe 2020). In the medical and health-related professions, job-specific training is often categorized as follows:

- *Professional training*: postgraduate training is determined or influenced by standards developed by the specific discipline (e.g., physicians, nurses, social workers). Mental health care organizations often serve as training grounds for future professionals, and the educational requirements for these professionals are generally determined by their respective professions and administered by universities or other training organizations. The administrative role of the host mental health organization is typically to integrate trainees into their work community.
- *Regulatory compliance training*: training associated with regulatory standards, such as care provided to patients, monitoring of quality indicators, workplace safety, and equal employment opportunity; regulatory training ensures that employees have the knowledge and skills needed to do their jobs effectively and meet regulatory requirements. Specific examples of such regulatory compliance training include The Joint Commission (formerly known as JCAHO, the Joint Commission on Accreditation of Healthcare Organizations) requirement that patient care attendants be CPR certified; the Occupational Safety and Health Administration requirement that employees be trained in the proper handling of hazardous or infectious materials; and compliance with federal, state, and local laws associated with equal employment opportunity.
- *Training in support of organizational objectives*: training aligned with the organization's specific mission and emerging needs. Leadership must clearly articulate organizational values in support of both training and development, define the specific knowledge and skills essential to job and organizational success, and provide the support and resources necessary for employees to meet their training needs.

Training and development are costly to an organization and must be carefully designed based on organizational needs and evaluated to ensure maximum effectiveness and return on investment (Freifeld 2018; Ho 2018). The steps involved in the design, development, and delivery of programs can be summarized as follows:

1. Assess learning needs.
2. Develop learning objectives.

3. Develop and integrate a program evaluation plan.
4. Design and develop the program.
 - a. Select delivery methods.
 - b. Select delivery environment.
 - c. Integrate opportunities for practice and feedback.
5. Ensure employee readiness for learning.
 - a. Attitudes and motivation
 - b. Prerequisite skills
6. Deliver the program.
7. Evaluate the program.

All of the above steps are critical to success. However, if learning needs are not accurately assessed, then time and money will likely be wasted. Without thorough evaluation, we may never know whether the program failed to address true organizational needs. A common approach to evaluation includes the following levels of measurement (Kirkpatrick and Kirkpatrick 2006, 2016):

- Participant *reactions* to the program
- Levels of *learning* as a result of the program
- Changes in *behavior* in the work environment (transfer of learning)
- Organizational *results*, such as improvements in employee performance and engagement that affect organizational outcomes and deliver a positive return on investment (customer or patient service measures, revenue, cost savings)

One particularly important form of training is new employee *onboarding* and *socialization*. Onboarding involves helping new employees understand their organization's policies and procedures, as well as their job, the work context, and performance expectations. Socialization goes further, helping the employee understand the organization's history and culture, including values and norms. Effective socialization also will help the new employee develop interpersonal relationships and networks that will facilitate performance and engagement. Most organizations provide some level of onboarding and socialization, but most do a poor job of it, resulting in costly mistakes (Bauer 2010; Bauer and Erdogan 2011, 2014; Cascio 2013). In a summary of recent research, Noe (2020) pointed out that effective onboarding and socialization are correlated with higher job satisfaction, organizational commitment, lower turnover, higher performance, reduced stress, and career effectiveness.

Performance Management

Dr. J is a team leader working for a midsize teaching hospital. He has been with the organization for 7 years and currently leads a team of six clinical practitioners. Eight months ago, Dr. J hired Dr. K, a new clinician, to fill an open position on the team. Dr. J and the team were excited about this new hire; Dr. K had exceptional credentials and brought more than 10 years of experience with two highly respected organizations known for hiring and developing top talent.

However, the past 6 months have been a continuous challenge working with Dr. K. His colleagues have started complaining that he is inflexible and becomes frustrated easily when he thinks progress is slow or quality is below expectations. Nevertheless, Dr. J has found Dr. K to be highly creative; Dr. K frequently brings interesting and provocative ideas to his attention and points out possible opportunities for improving the efficiency and outcomes of the team's work. Dr. J has tried to encourage Dr. K's ideas and recommendations by suggesting ways he can explore these possibilities with his colleagues. When he follows up with Dr. K concerning his progress pursuing his ideas, Dr. K expresses frustration with the many "obstructions" he encounters and others' "resistance to change." Dr. K's behavior has started to adversely affect the team. Dr. L, the team's top performer, recently asked if she could be reassigned from a research project being led by Dr. K. Dr. J discussed these challenges with Dr. K on two occasions over the past 2 months. Dr. K thinks he needs more time to adjust to the organization's culture and build the relationships he needs to work effectively. He has assured Dr. J that he is working on these problems and is confident that the "noise" will calm down with time. However, it seems that the "noise" is getting worse, not better.

- As Dr. K's team leader, what would you have done differently in managing his performance?
- What would your next steps be in managing this situation?
- What would your objectives be in managing Dr. K's performance?
- What are Dr. J's options if Dr. K fails to meet performance expectations? How can he ensure a fair and defensible performance management process?

Performance management is the process used to ensure that 1) work leads to organizational success and 2) the organization maximizes the value and impact of its talent. The process also provides the data essential to making decisions concerning pay and recognition, promotions, work assignments, and training. Performance management is facilitated by organizational leaders, but the process is shared by both leaders and their employees. This process also focuses on both current performance and development for future opportunities. For example, performance management may uncover training needs essential to helping an employee meet current performance expectations and provide input essential to identifying developmental programs and activities that will assist in career planning and growth. Figure 11-4 provides an overview of the performance management process.

For health care practitioners and professionals, the performance management process will focus on job requirements and objectives, as well as technical or specialized knowledge and skills associated with the specific discipline. The evaluation of discipline-specific knowledge and skills may be conducted via a peer review process. The peer review process assumes that such highly technical or specialized work can only be accurately reviewed by similarly trained peers of the practitioner.

The following guidelines are recommended to ensure a highly effective performance management process (Cascio 2013, pp. 359-362; Grote 2008, 2011):

- Encourage employee participation and preparation throughout the process.
- Require that leaders facilitate a thorough performance planning discussion with each employee prior to the beginning of the performance management period (usually before the organization's next fiscal year).
- Include goal setting as a required component of performance planning.
- Require formal quarterly and midyear reviews, adjusting performance plans as needed and addressing performance concerns.

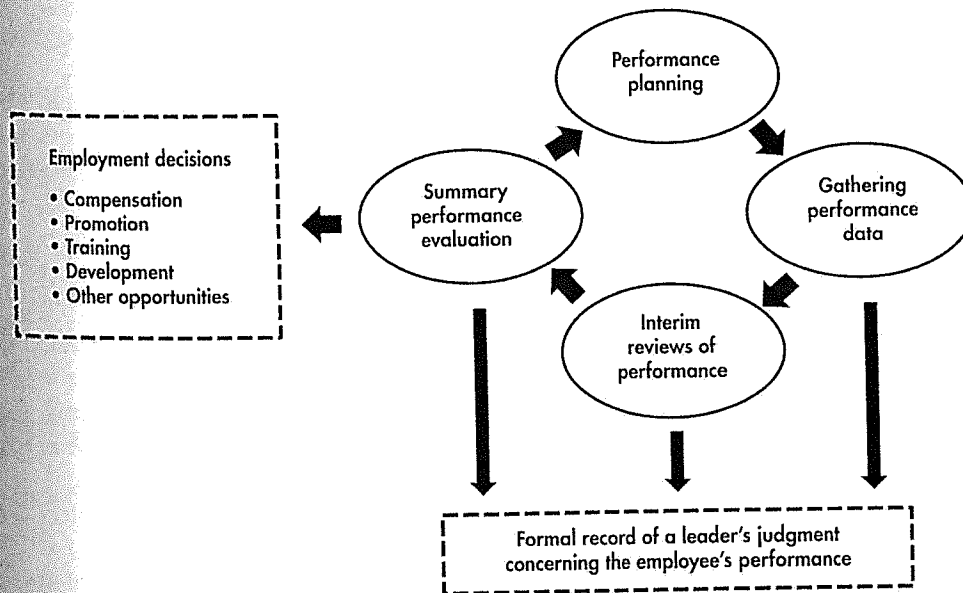


FIGURE 11-4. Performance management process.

- Require that summary evaluations be completed annually for all employees within the organization.
- Evaluate performance in terms of both *results* and the *behaviors* associated with achieving results; judge performance and not personality.
- Use a rating calibration process among leaders to increase accuracy and transparency.
- Link compensation, promotions, and other forms of recognition to the employee's performance evaluation.
- Require that all completed performance evaluations be reviewed and approved by next-level leadership in advance of summary evaluation discussions.
- Use a five-point rating scale.
- Provide all leaders and employees with in-depth performance management training focused on increasing the quality of the process.
- Provide all new employees with an orientation to the organization's performance management process and supporting systems and tools; include discussion of process rationale, goals, and benefits.
- Determine performance evaluation ratings through quality leadership judgment rather than by mathematical calculations.
- Communicate frequently, be clear and specific, actively listen, and avoid destructive criticism.
- Be courageous in addressing employee performance problems.
- Recognize and reward leaders who show effective performance management.

In order to be fair and consistent in managing employees with performance problems, it is important that organizations have a clear progressive disciplinary policy in place that details the process (see example provided in Figure 11-5). Although termination of employment is sometimes necessary, the objective of progressive discipline

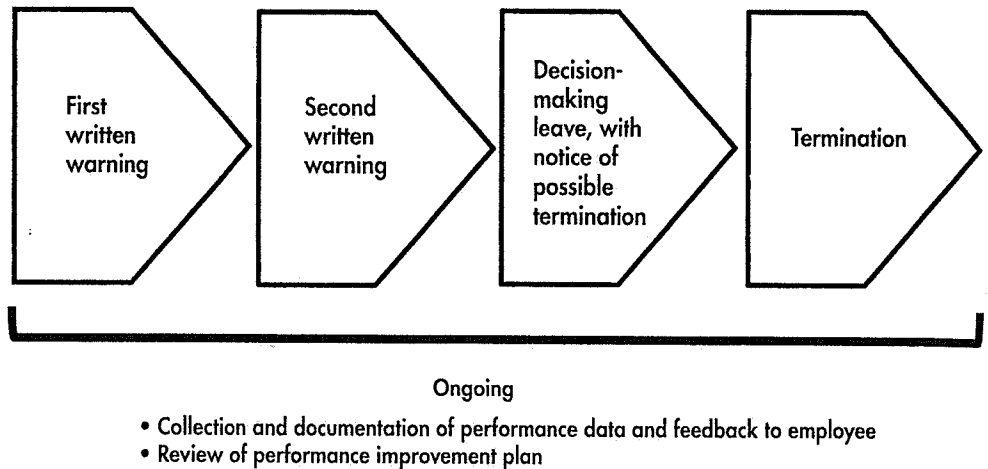


FIGURE 11-5. Example of progressive disciplinary process.

must always be correcting the problem and helping the employee return to and sustain an acceptable level of performance. The progressive disciplinary process works hand in hand with the performance management process. Leaders must work with the employee to develop a performance improvement plan, clearly document performance data, and provide timely and specific feedback to the employee throughout the process. In developing a performance improvement plan, accurately diagnosing and addressing the underlying causes of performance problems are critical. Specific resources, such as training or on-the-job coaching, may be needed to correct deficiencies. The performance improvement plan must be specific in terms of required behavior and performance expectations and include specific achievement milestones with dates. If an employee is a poor fit for the job, exploring alternative jobs within the organization may be an option that avoids eventual termination of employment.

Open-door policies are also important to ensuring that employees have a means of discussing concerns with other leaders, human resource professionals, or other objective parties within the organization. In the regrettable event that an employee must be involuntarily separated from the organization, the progressive disciplinary policy must include a clear process for discharge or termination to ensure fairness and consistency. The progressive disciplinary process should not focus on punishment, but on personal responsibility and decision-making (Grote 2006). The leader must be assertive and firm in facilitating the process, but with a positive and supportive approach. Unless the behavior is so egregious (e.g., theft or violence) that immediate termination is essential (warranting skipping steps in the disciplinary process), the goal should always be correcting poor performance and retaining talent.

Future Trends and Challenges

The trends continue to illustrate the dynamic nature of managing people and organizations, adding yet another layer of complexity to leaders' responsibilities. Without question, things will become much more challenging for leaders and human resource management practitioners if they fail to keep up with developing trends and changes.

Lawler and Boudreau (2018) have summarized trends affecting human resource excellence as follows:

- Technological breakthroughs produce exponential disruptions in markets and business. The rapid adoption of robots, autonomous vehicles, commoditized sensors, artificial intelligence, and global collaboration renew the rethinking of work.
- Increased democratization of work will cause organizational structure to shift away from hierarchies and toward more power-balanced organizations and communities, built on relationships that are less employment based and more project based. Talent will increasingly join and engage based on aligned purpose.
- The world will be increasingly connected through personal mobile devices and the cloud, allowing work to be done from anywhere. New media will enable global and real-time communication that accelerates ideation, product development, and go-to-market strategies.
- Work will be seamlessly distributed around the globe with 24-7 operations enabled by new corporate and social policies. Extreme longevity will allow mature talent to work longer, and females and nonwhite ethnicities will become talent majorities.
- Advances in analytics, algorithms, and automation will continue to improve productivity and decision-making. Smarter computing will increasingly automate mundane tasks previously performed by humans.

Based on research reported by the Society for Human Resource Management, leaders will need to adopt the following activities and goals to achieve success now and into the future (Nagele-Piazza 2019):

- Fostering the relationship between workers and technology, including robots
- Developing and managing flexible work schedules and arrangements
- Showing organizational willingness to take a stand on social issues
- Improving diversity
- Investing in the mental health of employees
- Addressing the loneliness of remote workers
- Upskilling the workforce, including increasing focus on soft skills
- Preparing for Generation Z (understanding and effectively leading the demographic born between the mid-1990s and the mid-2000s)
- Preventing employee burnout

Without question, the future will prove exciting and challenging. Leaders must be prepared to rethink work and how to best maximize both the performance and the engagement of talent. This responsibility is ongoing, as very little in the world of work remains constant.

Summary

Talent management is essential to the success of any organization, and talent management is a leadership obligation. Leaders must have the necessary skills to attract, develop, and retain the talent needed to meet current and future needs. These skills can

be acquired through formal training, coaching and mentorship, self-study, and research. Stepping up to the talent management obligation requires not only skill but also assertiveness and courage. The goal is always high employee performance and engagement, not just performance. Achieving these goals begins with thorough workforce planning, which drives the talent acquisition processes. The value of talent is maximized through training and development, supported by effective performance management. Organizations with effective talent management, and resulting high performance and engagement, will attract talent through their reputation. Such a reputation is difficult to build and easy to damage, and leaders at all levels are entrusted with building and protecting this reputation.

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