

Talent Management at Cisco: Lessons Learned

It is stating the obvious and has been talked about for years, but talent managers must align talent management to business strategy. Talent management must start with business strategy and, when executed well, become a key lever of strategy execution and organizational success. We think often about how we can effectively leverage our full suite of talent management services in support of the development of a strong and strategically aligned organizational culture. How can we lead our organization through comprehensive cultural change? It requires starting with a strong definition of what our culture needs to be and then systematically hiring, developing, and rewarding the executive talent necessary to achieve what has been defined.

Actively Managing Change

The real strategy effort involves not so much aligning our work with our business strategy as assessing the organization's readiness to embrace the work that the strategy demands and predicting the psychological and organizational resistance inherent in the process. Leaders make difficult business decisions every day, yet they often become paralyzed when they need to make difficult people decisions. We expect resistance, we welcome it, we predict how it will show up, and we appreciate that working through it productively is a core part of our talent management process. Organizational and cultural change begins with individual change. Moving individuals successfully through change is labor intensive and requires psychological awareness, stamina, and endurance. We believe that managing change proactively will prevent us from the need to address issues later when resistance can build up and derail our initiatives.

We remind ourselves regularly that, by definition, effective, high impact talent management will both challenge and change the organization's culture. To be the best talent management executives that we can be for Cisco, we commit to doing our work in highly purposeful and strategic ways. During our collective years of experience, we've observed that success and failure are relative to the organization's culture. The unconscious dynamics of a corporation's culture are powerful and at work to sustain homeostasis. The forces that attempt to keep the organization at a steady state are always greater than the forces that attempt to drive change. Thus, anything that threatens the current state of balance will be viewed with suspicion. Talent management processes and tools affect the lives and careers of executives. When done well, they also influence the many financial and positional rewards that come with career acceleration and demotions. Good talent management work will disrupt and even threaten the incumbent power infrastructure. We work hard to keep aware of, diagnose, and navigate through these dynamics. Sometimes we feel impotent in the face of these dynamics, but we consider this a good sign that organizational resistance is at its peak and that desired change is well under way.

All major organizational changes are threatening. We appreciate that by setting out to change Cisco's culture, we will threaten a group of incumbent leaders who may be insecure regarding their long-term position or who are more committed to the past than they are to the future (we call these legacy leaders). Thus, we can't stress enough the importance of paying attention to this dynamic as you are setting your organization's talent management agenda. If your leaders are not ready to accept a new generation of talented, empowered leaders, then don't help develop them. You will only threaten those leaders in power today while frustrating those who are emerging. And, sadly, you will just grow your talent, only to send them out to your competitors armed with more information and skills. If you fail to recognize that there are leaders who are afraid of the success of strong talent management, your agenda will be at risk.

It is essential to be insightful and predictive about threatened leadership. Leaders become threatened for a whole host of reasons, all of which revolve around some fear of failure. Leaders may feel out of control, out of balance, overshadowed, or shown up. Even worse, they may feel that their power is being challenged or completely taken away. In our collective years as corporate psychologists, we have never heard of a leader who set out in the morning to come to work and fail. Yet many set out unconsciously protecting themselves from the threats of failure. When your talent management initiatives bump up against these fears, they will likely create mostly unconscious reactions in leaders of protection - my position, my patch of responsibility, my power - and survival. For this reason, we pay as much attention to building organizational confidence in those who are at risk of acting out as we do to building organizational capability in the next generation of leaders. That is why individually tailored consultation is central to Cisco's approach.

You Can't Do It Alone

Collaboration among talent management, human resources, and company leadership is essential to achieving the desired success. To effectively compete in this war for talent, everyone must be unified and aligned toward common goals. There is the same familiar rallying cry here, but it still applies: Talent management professionals, human resources professionals, and business leaders must work together to identify needs and build strategies to address these needs. At Cisco, where we seek to inspire collaborative leadership, settling for anything less undermines our own reputation and contradicts our overarching strategy.

Be the Change You Want to See in Your Organization

To effectively manage change, we must be change resilient ourselves. We, too, have to unlearn those behaviors that made us successful in the past. As our businesses become more flat, more global, and more complex, our talent management approaches must become more adaptive and relevant to an

ever-changing business environment. We must constantly change our mindsets to keep ourselves relevant, vital, and on edge-looking forward to, what is next, not looking backward at what was. Create collaborative relationships across your team, with human resources, and with your other business partners so that you can model the leadership traits you seek to develop in others.

Focus on Quality over Quantity

Cisco leverages its technology to maximize the productivity of our most highly experienced and educated talent management professionals. Using a customized approach is not the most cost-effective method, but it is the most effective for getting desired results. We constantly choose quality and business impact over breadth and numbers. By being innovative in how we use technology, we've been able to increase our reach across our internal leadership market while reducing costs of delivery by approximately 33 percent.

Be a Practitioner First, Then an Administrator

We made the choice to be more than just administrators of talent management processes and products. We constantly assess where the right point of balance is along the practitioner-administrator continuum for our company, both now and in the future. As practitioners, we made the decision that we must be thought leaders and not order takers. We've adopted a mantra on the team to "meet clients where they are at and show them a different way of thinking and operating." We try to show that we understand the current mindset they are operating from and show them both the advantages and compromises within that mindset. To take this position, we had to be sure that we had a common point of view of what good work would look like vis-a-vis the business strategy. We actively push the organization, knowing and fully accepting that we would rather be fired for doing the right work well than keep our jobs for doing the wrong work adequately.

It's Not about the Process

The best talent managers rely on and leverage their organizational development skills every day. Because we strategically chose a practitioner model on which to execute our approach, our talent team diagnoses, strategizes, and operates every minute of every day with a product tool kit second to their consulting tool kit. We view our work as being less about designing processes and programs and more about assessing organization readiness and preparing leaders for change. Our best talent management work is strong organization development work. This makes perfect sense, given the coming challenges of how to manage cultural change. We know that we need to operate well within our culture, while at the same time utilizing our consultancy skills to challenge cultural assumptions and call attention to cultural obstacles and barriers. It is a tight rope to walk.

Understandably, it is easy for us as talent managers to see a talent problem and solve it by building a tool or launching a process. Too often in our profession, the tendency is to conduct a best practices study to learn what others are doing and then cherry-pick the best ideas and implement them as if they were designed and customized for our company. We all borrow ideas from other organizations, and we should. However, we've learned that our best solutions come when we step back and apply these ideas in the context of our organization's business challenges, culture, leadership, and, most important, readiness to absorb the change.

Can You Really Measure What Matters?

A subtheme within this overarching theme of tools and accountability is the pressure to measure that which, in fact, may not be measurable. Measuring impact is a challenge, because there is a logical tension between the need to measure to show business relevance and the need to appreciate that, given the long-term nature of the work (and the fact that so many confounding variables and exogenous factors are at play), the attainment of pure measurement is more a fantasy than a reality. For this reason, we suggest measuring return-on-expectations rather than return-on-investment. This perspective helps us collect data and tell our story in a way that is unique to each audience: our board of directors, our CEO, our executive team, and our human resources partners. If we begin by trying to understand each group's expectations and then build our talent management strategy specifically on the goal of creating business impact, the pressure to produce incremental, less-productive measurement can be reduced.

Summing Up

The complexity of moving from theory to reality comes from the contrary forces at work in most organizations. Just because the business strategy demands it doesn't mean the organization will embrace, execute, or sustain good talent management. It is important to gain visible executive sponsorship and to continually position the talent management agenda at the forefront of the business planning process and the CEO /board agenda. Don't be distracted by ideals; focus on what is achievable. Assess your own skills as talent managers, and start with a plan for managing change - a focus on what you know your culture can absorb and on what is achievable. Don't ever believe that one size fits all or that a best practice will necessarily be the best one for your situation. We do operate in a complex world, yet talent management systems are typically created by members of one culture to manage members of the same culture. Tools and processes must never take the place of human interaction, quality must never suffer for expediency, and measurement must always focus on business impact, not on activities.

The economic crisis of 2008 reminds us that the future is unwritten and in some ways unknowable. A quick scan of the news indicates that the level of turbulence in our economic and political environment probably won't abate. And in talent management, we are trying to predict winners in a race with no finish line. An old adage about business planning goes, "When times are good, have a simple plan; when times are complex, have a very simple plan." So our philosophy of talent management is simply stated but, like most things, more difficult to actually achieve: Know your business and what it's trying to achieve, know your leaders and what they want and need, and remember that you are affecting many people's lives and possibly their livelihoods with your talent consultation, tools, and processes. For this reason, we take our responsibility as talent management executives very seriously.

So ... Simple? Yes. Easy to achieve? No. High impact and rewarding? Definitely!

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