

# Talent Factors for Leaders

## Overview

Our company's success is dependent on the intelligence, strength, innovation, and contributions of our team members. We utilize a Talent Assessment Process that provides greater visibility into our workforce by providing a way for our company to understand and gauge our talent. It helps identify those team members who will lead our company into the future and also provides insight into development for team members that will build their readiness to achieve personal, role and company objectives.

## The Assessment

As a Leader, you play an important role in your team members' success by creating regular and ongoing training and development plans that provide them with growth and job enrichment opportunities. This requires you to understand and assess their strengths, weaknesses and motivations. One of the ways that you do this is during the Annual Performance Appraisal process when you formally communicate to your team members and provide useful feedback about their job performance and set clear job responsibilities and expectations. This assessment provides current and historical documentation on a team member's performance.

Additionally, Leaders will assess their team member's potential and their future performance, assuming proper development of skills and increased responsibility are provided. These ratings are designed to be different from the ratings used in the annual performance process which addresses performance within the past year. Your accountability in this process includes:

- ✓ Conducting this assessment at least annually - generally, as part of the performance appraisal process, for all team members in a Manager position or above.
- ✓ Maintaining confidentiality of this data. These ratings should not be communicated to those team members who have been rated. This information will also be utilized for succession planning and is considered data for Human Resources and senior management use only.
- ✓ Knowing this data – held electronically or on paper - is discoverable for any legal proceedings.



## Process for Establishing or Updating Ratings

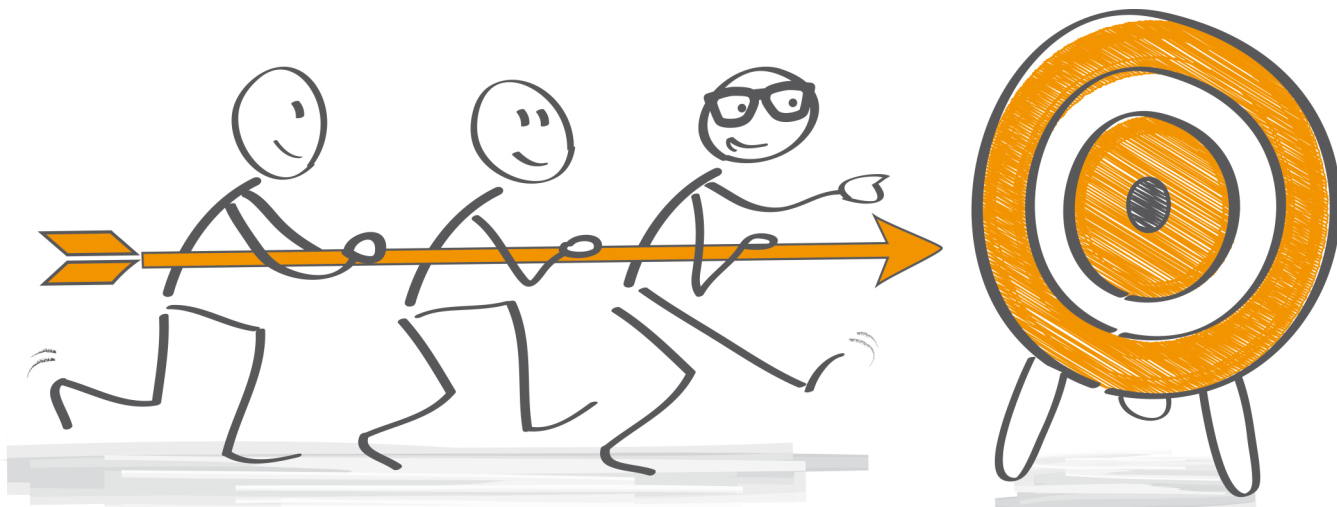
There are two primary areas that you will rate your team members on that will prepare our company for future growth – Performance Over Time and Potential. It is critical to the process that you understand what these ratings mean so that team members can be accurately and consistently assessed across all roles in our company.

**Performance over Time:** When determining Performance, we are considering an evaluation period that may include performance history as far back as the most recent three years. We want to truly differentiate performance that takes into consideration factors such as business/functional results, leadership, execution, relationships, and professional expertise. This rating is different from the annual performance rating that only takes into consideration performance over the past year. This rating will determine if your team member is a core performer, top performer, or role model performer.

**Potential:** When determining Potential, we are attempting to realistically evaluate the future likelihood that the team member can assume greater responsibility and move to a higher role in our company. You will want to consider the individual's ability, performance and motivation in making this assessment. Things to consider include:

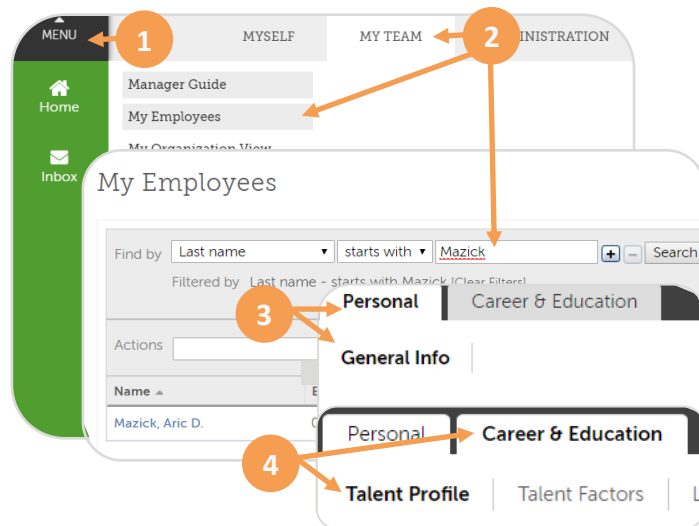
- ✓ Can the team member learn the additional required skills and competencies to perform at a higher level?
- ✓ Does the team member demonstrate leadership ability by showing initiative and vision, delivering on promised results, communicating effectively and taking appropriate risks?
- ✓ Does the team member demonstrate an ability to comfortably interact with people at a higher level or in a different area?
- ✓ Does the team member welcome opportunities for learning and development?
- ✓ Does the team member demonstrate flexibility and motivation to move into a different job/area and have a comfort with a broader company perspective?

Prior to evaluating your team members, you should review the information your team members have completed as part of their Career Profile so that you are familiar with their career preferences, background, skills, experience, and their personal circumstances. This information is maintained in our UltiPro system



## Assess Team Member Profile

1. Click the Menu button.
2. Navigate to **My Team**, select **My Employees**, search for team member and click on their name.
3. Select **Personal** tab and then **General Info** to find Career Preferences and International Experience.
4. Select **Career & Education** tab and then **Talent Profile** to find a summary of education, previous employment, skills, licenses, awards and relocation preferences.



After you have familiarized yourself with your team member's information, you need to consider the team member's tenure in their current role before you establish/update any new or existing ratings for them. Keep in mind the following guidelines:

- ✓ For team members with no prior talent assessment (new to the company or new to a manager position):
  - Determine the feasibility of establishing an initial set of talent ratings. It is recommended that the team member be rated only if they have been on the job for at least six months in order to have sufficient performance information to make an accurate evaluation.
- ✓ For team members with prior talent assessments who have been in the position for less than six months (recent transfer or promotion):
  - Carefully consider whether the Potential rating can be updated.
  - Career Readiness rating should be updated, i.e. how many levels promotable
  - If the team member is new to your team and you do not have sufficient knowledge of the individual's performance, work with your Human Resources Partner to gain the perspective of the individual's previous leader to review prior performance evaluations.
- ✓ For all other team members:
  - Assess and update all talent factors.
  - Consider any key changes to a team member's job or scope of responsibility since any prior ratings.

Now you are ready to take the next step and rate your team members.

## How To Enter / Update Ratings

Our UltiPro system uses the Talent Factor feature that allows a leader to view, rate, and evaluate key elements of a team member's talent, making it easy to find, track, and compare team members for potential career alignment or development opportunities throughout our company. The assessment information is divided into five sections as follows:

- ✓ **Performance** – includes the team member's last performance review rating, current performance level, and notes.
- ✓ **Organizational Importance** – includes information about the team member's future Advancement possibility (current potential, promotability, next possible role and notes), their Criticality to the company (readiness, notes) and their Retention Risk (risk level, impact, risk period and notes)
- ✓ **Predictive Analytics** – includes system generated predictors for retention, high performer, and engagement based on the team member's life cycle
- ✓ **International Experience** – displays global work experience from the team member's resume
- ✓ **Career Preferences** - displays the departments and roles the team member has indicated interest in as well as any notes about career aspirations

To begin, follow the steps outlined below.

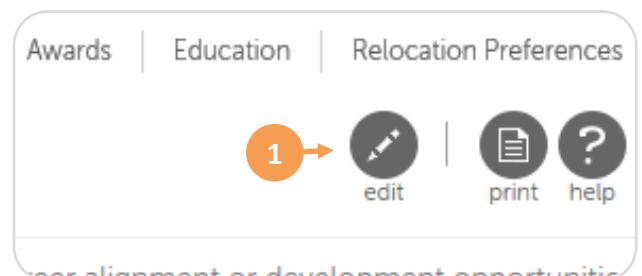
## Access Talent Factors

1. Login to UltiPro.
2. Select the **My Team** tab.
3. Click on **My Employees**.
4. **Search** for the Team Member.
5. Click on the Team Member.
6. If not already selected, click the **Career & Education** tab.
7. Select **Talent Factors**.



## Start Talent Factors Assessment

1. In the Talent Factors Page, Click **Edit**.
2. Complete each of the sections on the page.



## Section 1: Performance

- 1A. Review the team member's last performance review rating, This rating is an historical record of the team member's performance within the past year.
- 1B. Select a current performance level for the team member. Consider WHAT the employee does and HOW they do it - to what extent does the team member deliver results, demonstrate core competencies, and act in the spirit of our company's values. Keep in mind that the focus is on planning and preparing our top talent for movement within our company. As such, these ratings are designed to truly differentiate the highest performers in our company. Rate relative to the following criteria:
- ⇒ **Low:** Core Performer – This team member is considered to be meeting performance expectations, has opportunity for improvement, is new to role or is a wrong fit. Typically, this rating represents 80% of team members at their job level.
  - ⇒ **Medium:** Top Performer – This team member has been and continues to be an outstanding, solid performer who often exceeds performance expectations. This rating typically represents the top 15% (outperform 80%) of team members at their job level.
  - ⇒ **High:** Role Model – This team member has been and continues to be an outstanding, strong performer who consistently exceeds performance expectations. The level and magnitude of the individual's personal contributions to the company are substantial. The individual sets the standard for excellence and typically represents the top 5% (outperforms 95%) of team members at their job level.

**Note** ➔ It is recommended that the assessment begin with the question "Is this individual a *Top Performer*?" according to the definition above. If the answer is no, but the individual has met performance expectations over time, he/she should be rated *Core Performer*. If the answer is yes, then ask "Is this individual among the 'best of the best'?" i.e. top 5%. Those who are the "best of the best" should be rated as *Role Model*.

- 1C. Enter notes about the team member's current performance level that support the rating and provide behavioral examples. Provide the following information:
- How would direct reports describe the team member and his/her management style?
  - Describe an example that illustrates the rating.
  - Describe the team member's current scope of work and manner of how the work is accomplished.

The image shows two overlapping screenshots of a performance review form. The top screenshot shows a 'Performance' section with the following fields:

Last Performance Review Rating	Above Expectations on 12/31/2017 by Cynthia A Wood
Performance Level ?	Medium
Notes	We can enter notes here

Callout A points to the 'Above Expectations on 12/31/2017 by Cynthia A Wood' text.

The bottom screenshot shows a zoomed-in view of the 'performance' section with the following fields:

performance Level ?	High
notes	[Text input area]
Characters remaining: 5000	

Callout B points to the 'High' dropdown menu.

Callout C points to the 'notes' text input area.

## Section 2: Organizational Importance

2A. Identify the team member's current advancement potential, provided continued performance and development. This rating is very important because it reflects, to a large degree, whether a team member is ready to be moved or nominated for other leadership roles. Consider raw ability, motivation to succeed, and commitment, and the ability to assume increasing accountability as business needs change as follows :

⇒ **Low:** Develop in Role – The team member is not ready for expanded responsibilities in current role or has no desire or ability for advancement. The development focus should be on building performance in the current position.

⇒ **Medium:** Expand Responsibility – The team member is ready for expanded responsibilities with greater scope and complexity within the same position or advancing within the company.

⇒ **High:** Move to Leadership Role – An employee who has the ability, engagement and aspiration to rise to and succeed in more senior-level positions within the company

The screenshot shows a form titled "Organizational Importance" with the following fields and annotations:

- Current Potential:** A dropdown menu set to "High", with an orange circle labeled "A" pointing to it.
- Promotability:** A dropdown menu set to "1 Level", with an orange circle labeled "B" pointing to it.
- Next Possible Role:** A dropdown menu set to "Manager/Senior Manager", with an orange circle labeled "C" pointing to it.
- Notes:** A text area containing the text "##### is ready for development as an entry-level leader.", with an orange circle labeled "D" pointing to it.

At the bottom of the form, it says "Characters remaining: 4944".

2B. Select the team member's promotability by selecting the advancement levels in which the team member may qualify.

⇒ **Options include:** Too Early to Determine, Underperformer or Possible Wrong Fit, Current Role Only, Lateral Move, 1 Level, 2 Levels, 3 or more Levels.

2C. Identify the next assignment readiness for the team member relative to our company's leadership level hierarchy. Note that within a leadership level there can be multiple pay grades. As a result, changing positions within a leadership level can involve both lateral moves as well as promotions with a change in pay grade.

⇒ **Options include:** VP and Above, Director/Senior Director, Manager/Senior Manager, Future Leader.

2D. Enter notes about the team member's potential and readiness for additional responsibility and/or a new role. Provide the following information:

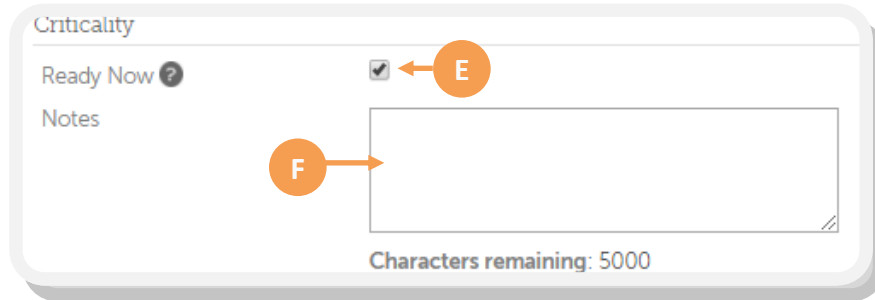
⇒ Do you think the team member has strong potential to move outside their current area or discipline?

⇒ Is the team member's next role a lateral move or a bigger role in their current area?

⇒ What is the team member's ideal role?.

## Section 2: Organizational Importance (Continued)

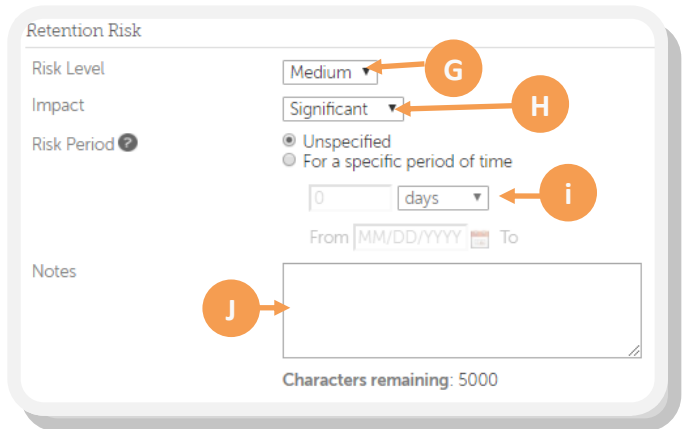
- 2E. Check the Ready Now box, if the team member meets the requirements, i.e. has the specific skills or competencies for their Next Possible Role .
- 2F. Enter notes about the team member's readiness.



The screenshot shows a form titled "Criticality". It has a "Ready Now" checkbox with a question mark icon, which is checked. An orange circle labeled "E" has an arrow pointing to the checkbox. Below it is a "Notes" text area with a large empty box. An orange circle labeled "F" has an arrow pointing to the text area. At the bottom, it says "Characters remaining: 5000".

- 2G. Rate the extent to which the team member is a potential retention risk to voluntarily leave his or her current position to pursue other opportunities. This could be due to the team member having a widely sought after skill set, availability of other highly desirable job opportunities, or other similar factors. The key to this rating is the emphasis on seeking opportunities outside the company. Is the company at risk of losing top talent? .

- ⇒ **Low:** The team member is not currently seeking other opportunities outside the company.
- ⇒ **Medium:** The team member is somewhat interested in seeking other opportunities outside the company but it would need to be the right position, time and geographic area..
- ⇒ **High:** The team member is interested in and actively searching for other opportunities outside the company.



The screenshot shows a form titled "Retention Risk". It has a "Risk Level" dropdown menu set to "Medium", with an orange circle "G" pointing to it. Below it is an "Impact" dropdown menu set to "Significant", with an orange circle "H" pointing to it. The "Risk Period" section has radio buttons for "Unspecified" (selected) and "For a specific period of time". Below the radio buttons is a text input field with "0" and a "days" dropdown menu, with an orange circle "i" pointing to it. Below that is a "From" date field with a calendar icon and a "To" date field. At the bottom is a "Notes" text area with a large empty box, with an orange circle "J" pointing to it. At the very bottom, it says "Characters remaining: 5000".

- 2H. This rating measures the effect on others if a team member is not retained. Evaluate the extent to which the team member's departure from his or her current role, i.e. due to promotion, transfer, leaving the company, would disrupt the performance of the company/work team. When rating the impact on 'overall performance', consider a balanced scorecard view of performance based on financial, team member satisfaction and owner/guest satisfaction.

⇒ **Options include:** No Impact, Slight, Moderate, Significant, Detrimental.

- 2i. Enter the amount of time it would take to replace the team member in the Risk Period field. Indicate the extent to which replacement of the team member presents a significant challenge due to unique or rare requirements/qualifications for the position and subsequent difficulty finding a suitable successor to backfill the role.
- 2j. Enter notes about team member's retention risk.



## Section 3: Predictive Analytics

- 3A. Review the team member's Retention Score. The retention score represents the likelihood of the team member staying at our company in the next 12 months.

**Note:** The retention predictor is a score between 0 and 100. Low scores indicate a lower probability of the team member staying while a high score indicates higher probability of the team member staying. The retention predictor uses team member information such as demographic, benefits participation, compensation history, previous employment, education data, and job history to statistically predict retention.

- 3B. Review the team member's High Performer analytic.

**Note:** If the team member has been identified as a High Performer, the date of the assessment will be indicated. Highest Performer determinations are based on the team member having consistent high raises that are in the top 25% for the company (based purely on relative compensation history). Typically, about 5% of team members are consider as High Performer. If the team member is not a High Performer, the High Performer Probability score will be indicated. The score represents the probability the full-time team member will become a high performer in the future. **The scores are typically low because the likelihood of any person becoming a high performer are actually pretty low (~5-10%). As a result, we should rank order the scores from highest to lowest and focus on just the top 10% of scores since this is the group where the high potentials will mainly be sourced from.** These algorithms are entirely quantitative and independent of any performance review ratings.

- 3C. Review the team member's Engagement Measure. This metric is a measurement of a team member's relative level of engagement with our company. Each team member's score is relative to the other team members in the company. The average Employee Engagement Measure score is 100. A higher score indicates a higher level of engagement, a lower score indicates a lower level of engagement. Because the score is relative, there will always be a balance of high and low scores within the company. This predictive metric uses both the High Performer Analytic and Retention Score to arrive at the engagement measure.

Predictive Analytics	
Retention Score ?	99.0% as of 05/01/2018
High Performer Probability ?	2.8% since 05/01/2018
Engagement Measure ?	139.3 since 04/07/2018

**Best Practice:** Consider taking preventative action on those team members identified as being at-risk of leaving in the next year. You may want to limit your effort to a smaller group so you can assess the effectiveness of your actions at retaining at-risk team members. You can also compare the results with the others where no action was taken. Comparing the two groups can help identify actions that worked and can be reused with a higher success rate.



## Section 4: International Experience

4A. Review the team member's International Experience. This information has been entered by the team member and details the location, type, and the length of experience. It is useful in talent review discussions for aligning team member experience with job requirements and readiness of future roles.

## Section 5: Career Preferences

5A. Review the team member's Career Preferences. This information has been entered by the team member and details their top 3 choices for departments and positions they are interested in working. The team member may also provide additional information on their career goals. It is useful in talent review discussions in identifying future talent and matching personal preferences.

International Experience			
Location		From	
Type of Experience		To	

Career Preferences			
Department	Human Resources	Position	Mgr-HR
Department	Information Technology	Position	
Department	Human Resources	Position	Mgr-Benefits
Additional information	I would like to continue on the HRIS career path.		

## Next Steps

After you have completed your team assessments, your Department Head and/or Human Resources Partner will meet with you to review your ratings. Be prepared to provide specific behavior examples and other information to support your ratings of the team member. Keep in mind, the success of this process depends on having ratings that truly differentiate performance and realistically evaluate future potential. It may mean that some of the ratings need to be adjusted so there is alignment and consensus by the group of the findings.

Remember these ratings are confidential and should not be discussed outside the meeting or communicated to those who have been rated. After the review, it is your responsibility to make any updates in UltiPro for ratings that need to be re-calibrated based on your discussions.

### Important Tip!

Make sure to click SAVE to complete the assessment.