



# THE EVOLUTION of Talent Management Consulting

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**Talent management consulting** is the giving of professional, **expert advice to executives** who are put in charge of **handling, directing, or managing** those who have a **capacity for achievement or success**.



### THE DAYS OF USING “TALENT MANAGEMENT” AS A

generic term for a set of loosely-related HR activities have passed. Nowadays, successful organizations have focused their talent management activities—recruiting, hiring, onboarding, performance management, employee development, team building, and succession planning—into a tight-knit “strategic workforce plan,” which seeks to optimize business processes, people development, and productivity via robust employee assessments and an ever-growing field of professional talent management consultants.

A quick survey of world history (and, anecdotes from different cultures and religions) reveals that all *great* leadership—be it religious, political, or organizational—depends on consultancy in some form or fashion, and always has. Kings had their courts. Presidents have their Cabinets. Only recently, however, in the Industrial Age, did *organizations specializing* in management and leadership begin to emerge.

### History

The first recognized management consulting firm, specializing in technical research, was organized in 1890 by Arthur D. Little. In the 1950s and 60s, American business theorist Marvin Bower developed consultancy into a

professional service on par with legal, financial, and technical advising, a status many consultants benefit from today. As the popularity of management grew, so did consulting, and much like management, World War II thrust American consulting practices into the global arena.

### What is Talent Management Consulting?

So what is talent management consulting? It may be easiest to understand the term by breaking it down into its three component parts:

**Talent:** 1. a special natural ability or aptitude: 2. a capacity for achievement or success; ability: 3. a group of persons with special ability.

**Management:** 1. the act or manner of managing; handling, direction, or control: 2. the person or persons controlling and directing the affairs of a business, institution, etc.

**Consulting:** 1. employed or involved in giving professional advice to the public or to those practicing the profession.

Then, when you put it all together:

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**Talent + management + consulting** = the giving of professional, expert advice to executives who are put in charge of handling, directing, or managing those who have a capacity for achievement or success.

This all seems simple enough, until you realize that the term “talent management consulting” actually involves a good bit more than its definition implies, and requires much more than “the giving of advice.”

Ultimately, the definition of **“strategic workforce planning”**—from identifying and implementing organizational strategy and culture, to forecasting future demands and workforce requirements—functions as a **comprehensive “job description”** for the role of the **talent management consultant.**

For starters, the term “talent management” is much more involved than simply managing skilled human capital. It is an organization’s commitment to recruit, retain, and develop the most talented employees in the job market. It is also maintaining—via performance management and leadership development—a deep pool of talent, and building a workforce succession plan from the absolute highest of performers. It is also instilling these principles into the very DNA of the organization itself, assuring that its leaders will continue developing both themselves and the organization’s future high potentials in perpetuity.

## What Does a Talent Management Consultant Do?

Just as the term “talent management” involves more than simply managing talent, talent management consultancy involves much more than simply advising an organization’s human resources department. Consultants in the talent management space focus their efforts on *true* strategic workforce planning, or helping organizations identify and understand the talent they need to reach their goals, and evaluating and reviewing the numerous aspects of a comprehensive business structure, such as:

- Reviewing organizational strategy
- Researching the internal labor market
- Assessing existing and planned resources
- Identifying future skills needs, demands, and gaps for succession planning
- Modeling an existing workforce against a hypothesis
- Defining workforce requirements
- Developing a resourcing strategy with the organization and engaging with business
- Implementing, measuring, and integrating the plan with other processes

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But, shouldn’t an organization know exactly what it’s looking for, and from whom? The simple answer to these

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questions is “Yes,” but most organizations begin not with a fully-formed strategic management plan, but a simple yet passionate desire to provide a superior product or service to a specific market; management theory usually evolves much later, often when it becomes painfully obvious that doing business “the way we’ve always done it” won’t suffice for a growing workforce. All businesses reach this critical point, regardless of size, structure, or financial well-being. Even the largest and most successful companies need expert assistance. An effective talent management consultant should help an organization align with their mission, evaluate their goals, and formulate a strategic plan to achieve said goals.

As stated above, talent management and strategic workforce planning are no longer simply parts of a loosely-defined “employee lifecycle.” Today, they are the primary focus of the total, *organizational* lifecycle. Career management, work-life balance, and workforce planning play an instrumental role in determining organizational success. Talent strategy and business alignment are key. Because many organizations are not equipped to evaluate and implement these processes, the popularity of talent management and strategic workforce consulting has grown significantly in recent years.

The role of the consultant is often up to interpretation. Consulting is a broad area of interest; from business to personal services, there’s a consulting opportunity for practically every industry. With the term being defined so broadly, business leaders are faced with the difficult task of deciding what kind of consultant their business needs,

especially in regards to organizational development, team synergy, and leadership development. In today’s business environment, organizations are struggling to do more with less. Their focus has shifted to talent management and strategic workforce planning. Understanding, engaging, and optimizing their people and processes for success is crucial. Talent analytics, culture, and engagement are top priorities for organizations around the world.



Generally speaking, a consultant is an individual with vast knowledge and experience in a specific professional field, hired to lend their expertise to clients in need of insight. In the talent management space, this expertise usually touches on the areas of organizational development, succession planning, and overall business performance. Sometimes, consultants are hired to fix a single problem, other times they’re needed to supplement leadership staff, or save the cost of hiring a full-time employee in the short-term. In addition to their requisite expertise, a consultant should also have a track record of past accomplishments, like training an organization’s leaders to utilize talent management solutions and reduce turnover by 200 percent, or streamlining a process to boost sales by 15 percent.

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Strategic workforce and talent management consulting is a booming industry today. According to the U.S. Bureau of Labor Statistics, the combined field of management, technical, and scientific consulting services is expected to be the fastest-growing industry in the United States from 2008-2018. This is due in part to globalization and the growth of international business. Foreign companies wanting to compete in the United States, for example, may require advisement on American laws, taxes, and the business environment.

## The Crucial Activities of Consultants in Strategic Workforce Planning

In the 21st century, developing leaders to successfully lead will be a major differentiator in an organization's future success, as study after study proves companies that take leadership development seriously consistently outperform their competition. This requires a deep understanding of the nature of influence processes, as well as forces of cooperation, and the ability to build a collaborative culture. Developing leaders to successfully lead has gone beyond the "great man" theory, thoughts that leadership is only inherent in certain people, or dichotomizing leadership traits to task or relationship orientation.

There is also a difference that should be kept in mind between "leader" development and "leadership" development: the former focuses entirely on the individual, while the latter concerns human capital, and plays a much larger role in an organization's leadership pipeline and talent management. All these things should

be taken into consideration when developing leaders to successfully lead. Many organizations retain the services of an outside observer to effectively differentiate between the two, and to provide actionable assessments to develop leaders.

Enter the consultant.

Today, while core talent programs must still work together, we need to **consider the whole 'ecosystem' of talent issues** in our **strategies, programs, and systems.**"

—Josh Bersin

## Succession/Workforce Planning

Succession and workplace planning are not (or at least, should not be) the function of HR alone. Leadership—from the CEO to frontline managers—should have a high level of input in the selection of successors. These days, succession planning cannot be only about filling organizational needs—especially not when it comes to talent management. The emphasis now must be on allowing men and women in the workforce to balance career and personal aspirations. Thus, organizations must learn too how to balance their employees with organizational goals, and tailor moves to meet the needs of their employees.

Instead of focusing on single, specific jobs to fill in succession planning, organizations should look for groups

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of roles in which a variety of successors can be identified. Since succession planning should be concerned with both long- and short-term replacement, each succeeding talent pool should be larger than the last, which means organizations should be constantly looking for and recruiting new talent.



As succession and workplace planning are internal matters, it is important to retain the high-potential, high-performing employees an organization already has, while continuing to recruit others to keep the talent pool deep. Talent management consultants help organizations develop strategic workforce plans that not only identify the talent necessary to fill these roles, but also create succession plans that will grow that talent to become future leaders.

## *Recruitment and Retention*

Recruitment is the workplace plan that drives strategic staffing of the most qualified, diverse candidates, while retention is the organization's creation and sustaining of

effective workplace relationships with employees. It's much easier said than done.

Today, more employees—especially those under 30—view themselves as “free agents” who must actively manage their own careers. They realize their companies may lay them off at any moment if there's a business slump or merger. They know their economic survival depends on maintaining cutting-edge skills, so they don't feel a bit of guilt about jumping ship if another job offers better pay or more growth opportunity. [Forbes](#) reported that 91 percent of Millennials expect to stay in a job for less than three years.

How is an organization supposed to develop an effective leadership pipeline when their employees have such a short shelf life? A talent management consultant's strategic workforce plan should include a detailed succession plan, which offers specialized insights into creating and maintaining a deep talent pool.

## *Leadership Pipeline, Talent Pool, Leadership Development*

According to [research conducted by ASTD and ICF International](#), surprisingly few organizations qualitatively measure the impact of their leadership development. Measurable areas of interest should include how their leadership development is impacting increased employee performance, customer satisfaction, product quality, corporate profitability, and other indicators of the organization's mission. It is rare that a company has a leadership development program evaluation system:





the ones that do exist take advantage of a fairly robust evaluation of designs, availability of baseline data, a supportive culture, and a team of leaders desiring continuous development to measure the impact of leadership development.

Overall, clear and relevant evaluation plans, evaluation designs, and baseline metrics are the keys to conducting a successful leadership development-impact evaluation. The biggest benefit of measuring the impact of leadership development is that it enables learning and development practitioners to justify the program. Many of the best talent management consultants measure the impact of leadership development by conducting 360° feedback programs.

At Profiles International, we use the CheckPoint 360<sup>OTM</sup>, which compiles feedback from direct reports, peers, and supervisors, and then creates a personalized program for developing specific leadership skills based on that feedback.

## The Difference Between Good and Great Consultancy

Simply put, a great consultant focuses on business results. They will work on the integration of newly established strategic processes so that the organization can sustain the desired solution and move on to streamline processes in other areas. A great consultant will be realistic, practical, cost effective, and provide sustainable results. Great consultants:

### Explore and learn

They help leaders examine and understand themselves, their organizations, their culture, and their people. They do this through focus groups, interviews, talent management solutions (in the form of assessments), and team development initiatives.

#### 1. Challenge organizational paradigms

Great workforce consultants lead organizations in a strategic planning process to clarify their business direction and develop action steps. They foster cultural intelligence and encourage an environment of transparency, diversity, expressiveness, and accountability.

#### 2. Produce and sustain

One of the core reasons that businesses invest in hiring a talent management or workforce consultant is for results. Expert consultants will help an organization to identify inefficiencies, and process gaps and structural frameworks to improve business performance. They will train leaders to optimize teams and build performance models.

#### 3. Evaluate and act

Establishing measures and methodologies for determining goals is a key action of effective workforce planning consultants. They act as an agent of change to enhance the organizations mission, vision, and values.

### Conclusion

When we reflect on the last few decades, it is clear that talent management has changed dramatically to a

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comprehensive and strategic process that cannot be ignored. In regard to employee evaluation and talent management, HR processes are not the basis in this industry anymore. According to Josh Bersin, "Today, while core talent programs must still work together, we need to consider the whole 'ecosystem' of talent issues in our strategies, programs, and systems."

Talent management is a broad, umbrella term encompassing a lot of specific functions. Trying to navigate it alone can be like following half a treasure map, or one written out in archaic, illegible runes. You need someone with the other half of the perspective; one with specific etymological specialization to translate the way. That's what a talent management consultant does. They can help guide the organization to success.

## **The Evolution of Talent Management Consulting.**

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