

Chapter 1

We Are All Talent Now

Biologists often talk about the ‘ecology’ of an organism: the tallest oak in the forest is not the tallest just because it grew from the hardest acorn: it is the tallest also because no others blocked its sunlight, the soil around it was deep and rich, no rabbit chewed through its bark as a sapling, and no lumberjack cut it down before it matured.

Malcolm Gladwell *Outliers* (Little, Brown and Company 2008)

What is talent and how is it best viewed? This chapter explains about talent and why we believe talent cannot be managed. It introduces the main issues, in particular, the belief that the context in which talent operates is as important as the individual, and the fact that engaging the whole workforce is not simply one leadership task among many, it *is* leadership. Crucially, it also explains why elite approaches to talent management don’t work, and why successful businesses need to get better at realizing the potential of different types of talent across the workforce.

In the summer of 1965 Gary Flandro was a summer intern with the NASA space agency. At that time, NASA was in the middle of the first Mariner missions to Mars and Flandro was given the routine and supposedly far less interesting task of calculating, in detail, the movement and relative positions of the planets and the best time to launch a probe for a future expedition to Jupiter.

Gary Flandro approached the task carefully and enthusiastically. He understood that the gravitational field of one planet could slingshot a probe onto another target at even greater speed, and he calculated when the four largest planets in the solar system (Jupiter, Saturn, Uranus and Neptune)

would be on the same side of the sun, in the same proximity. He then calculated that a specific timing for a mission to Jupiter would, because of their proximity, also enable the probe to 'slingshot' using the orbit of one of the four outer planets to visit the next and continue its journey. Finally, Gary Flandro worked out that only once every 175 years were the four planets close enough to make such a mission viable.

This was a major breakthrough in space exploration: Flandro, a Masters student on a summer internship, had discovered what has become known as the multi-planet 'Grand Tour' mission: a feat that uses gravity to enable a space craft (ultimately the Voyager) to explore the four major outer planets of the solar system. This led NASA to launch the enormously successful Pioneer and Voyager space probes that during the 1970s, 1980s and 1990s dramatically increased our understanding of the solar system. Voyager is now the most distant and far travelled object in human history and Gary Flandro's journey is also interesting. For many years, he was a professor of space exploration at the University of Tennessee and he has been named by the American Institute of Aeronautics and Astronautics among 30 of the world's finest contributors to the field of aeronautics. Not bad for a young student given a routine task to complete!

Another American of the same generation as Gary Flandro, Robert Woodward, was born in March 1943 in Illinois. He studied history and English literature at Yale University, receiving his BA degree in 1965 before beginning a five-year tour of duty in the US Navy. After being discharged as a lieutenant in August 1970 he considered attending law school but applied instead for a job as a reporter with the *Washington Post*. He was given a two-week trial but was not hired because of his lack of journalistic experience. After a year at the *Montgomery Sentinel*, a weekly newspaper in the Washington DC area, he was hired as a *Post* reporter in September, 1971. While he was at the *Washington Post* Bob Woodward was partnered with another journalist, Carl Bernstein, who had attended the University of Maryland but did not graduate. Together, these two young, relatively inexperienced journalists doggedly pursued an investigation that became the Watergate scandal, eventually resulting in the first resignation by an American president in US history when Richard Nixon resigned the presidency in August 1974.

In his 1995 memoir *A Good Life*, former executive editor of the *Washington Post* Ben Bradlee singled out Bob Woodward in the foreword, commenting that he could not overestimate the contributions made by Bob Woodward, a reporter that Bradlee viewed as the best of his generation and the best he'd ever seen. Both Woodward and Bernstein have maintained their position at the top of their profession (and, thankfully, subsequent US presidents seem to have raised their game as well).

So, what do these stories of Gary Flandro, Bob Woodward and Carl Bernstein have to do with our understanding of talent management? Several facts are quite obvious while others require a little more thought.

First, talent requires effort. It can be tempting to assume that the most talented people can do no wrong: their success seems almost preordained and all they need to do is simply 'show up'. This is not true. Gary Flandro had already graduated high school, obtained his undergraduate and master's degrees and was well on his way to obtaining his PhD. He was used to hard work and study and that, presumably, was why NASA hired him in the first place. Similarly, Woodward and Bernstein understood that their profession requires patient, diligent and sometimes tedious effort. All three worked hard. In fact, it may be misleading to call it work at all. What they did became a passion, almost certainly they were thinking constantly about the issues they faced, even when they were away from their organizations. Talent requires energy if it is to develop and flourish. Fortunately for these individuals (and the rest of us) they were able to find an area of activity – a genuine passion – that would drive them on and enable them to excel. (In his fascinating book *Outliers* the writer Malcolm Gladwell makes a similar point, providing evidence for his claim that 10,000 hours is the time required to become truly successful at a task.)

The next point about talent is that it comes from anywhere, everywhere, and can emerge at any time. For example, the administrators at NASA who hired Gary Flandro clearly believed they were getting the services of a bright college student, but they probably did not realize they were hiring one of the greatest contributors to the field of aeronautics. Similarly, Harry Rosenfeld, the *Washington Post's* metropolitan editor who released Bob Woodward after a two-week trial in 1970, did not realize that the man with no journalistic experience who he had just let go would, within four years,

have returned to the *Washington Post* and conduct an investigation leading, ultimately, to the resignation of a sitting US President.

This point – that talent comes from anywhere, everywhere, and can emerge at any time – is especially significant today, in the first decades of the twenty-first century. For the first 30 years of our lives we witnessed a world recovering from the shocks of the twentieth century. In particular, there was a Cold War, apartheid, atrocious governance, horrendous poverty in that part of the globe known as the Third World, and economic instability in the First and Second Worlds. Of course, there were many amazing successes too, especially in the fields of science and technology, but that does not obscure the fact that the late twentieth century saw huge disparities in income and opportunity around the world.

This situation now is changing. Countries such as Brazil, Russia, India and China (the ‘BRIC’ countries) have been developing fast, together with other populous countries dubbed the N11 (the ‘Next 11’ fast-developing countries after BRIC are: Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, The Philippines, South Korea, Turkey, and Vietnam; the terms ‘BRIC’ and ‘N11’ were coined by the investment bank Goldman Sachs). Moreover, the rates of economic growth are significant and sustained. For example, between 1980 and 2006 China’s economy grew by an incredible 9% each year. This has helped to lift millions of people out of poverty and into an increasingly globalizing economy. Even if these fast developing countries stumble economically or politically at some point in the future, much as the Western democracies did in the first half of the twentieth century, their growth, long-term prosperity and influence now seems assured, at least during the twenty-first century. The implications of this are far reaching and they are especially significant for organizations. For example, it is a simple, sobering fact to consider that the top 5% of China’s student population is significantly larger than the United Kingdom’s *entire* student population.

The stories from NASA and the *Washington Post* also highlight the profound influence exerted by leaders and organizational cultures. Clearly, both organizations, NASA and the *Washington Post*, were exceptional places. Both have suffered huge setbacks and doubtless made major mistakes but, undeniably, they have come to be seen as organizations defined by the talent

and character of their people and, perhaps most significantly of all, the ability to achieve their goals. Even today, the *Washington Post* is regarded as one of the world's great newspapers, while NASA still has the ability to instil excitement, awe and interest. Of course, this is in part a reflection of what they do and what they have done in the past, but, crucially, it also suggests that a whole range of leadership issues are at play when organizations enable their most talented people to develop their potential and succeed. This includes coaching and providing mutual support, team working and collaboration, innovating, building relationships and being able to develop your skills. Of course, that personal success invariably drives the organization's success, but the organization or, more specifically, the team, is driving the individual.

For example, in February 1676 Isaac Newton, the renowned British scientist, wrote to Robert Hooke, another successful scientist with whom Newton was in dispute over optical discoveries, remarking: 'If I have seen further it is by standing on the shoulders of giants'. Historians tend not to believe that this was a statement of self-effacing modesty from Newton (surely one of history's greatest ever scientists); the prevailing view is that this was instead a sarcastic attack on the curmudgeonly Hooke who, although immensely successful in his own right, was also short and hunchbacked. Whatever the true sentiment may have been behind Newton's remark, the idea has lasted throughout mathematics and science that progress is made incrementally and interdependently, by methodically building on the discoveries and insights of others. So it is with many issues in business including the need for talented people to be able to learn from what is around them and what has gone before.

Another thought that comes to mind when one reflects on the diverse stories of Flandro, Woodward and Bernstein is that these were, despite their achievements, relatively ordinary people. By their own admission these were normal individuals (at least, compared to their peers), rather than the greatest geniuses in history. Gary Flandro may have gone on to become a rocket scientist but in 1965 he was a student intern. By this we mean that it would probably not

Crucially, it is the environment in which talented people operate that allows them to develop their potential and succeed: the organization gives them access, opportunity and encouragement.

have been apparent to NASA that a summer intern would make a major contribution to the exploration of the outer planets! Similarly, no one realized that Woodward and Bernstein's investigation into a Washington DC burglary at the Watergate complex would have such far-reaching consequences. Moreover, *it almost certainly never occurred to the individuals involved*. A journalist barely out of his 20s with less than four years professional experience investigated a crime (and the high-level cover-up of that crime) bringing down a president. A student's calculations during a summer internship program were integral to the successful exploration of the outer planets. Amazing though these stories are, one suspects that most successful organizations contain many impressive but perhaps less eye-catching examples of people achieving more, and going further, than they had ever thought possible.

This is one of the most fascinating things about talent: most of us have it, or, more precisely, we are each more talented than we give ourselves credit for. The notion that we can each achieve more than we might think we call *discretionary potential* and it is one of the main themes of this book. The challenge for leaders and organizations is to find the right people and then help them to go even further than even they might have thought possible. That sounds to us like a great challenge and the meaning of great leadership.

Another insight that comes to mind when one considers the phenomena of distinctively talented employees is the fact that they always seem to display several notable characteristics. In particular, these include initiative, flexibility and drive. They display a relentless desire to find things out, to get things done and, above all, to make progress. They want to achieve things and even more than that they want their work to have *meaning*. These qualities of initiative, drive and a desire for work to have meaning have several vital implications and results. For example, they lead to passion, enthusiasm and inquisitiveness. They also propel talented employees to seek out, both consciously and, one suspects, subconsciously, new opportunities. Talented people tend to find themselves in the right place at the right time more often than other people, and that is because they are looking for opportunities, they gravitate towards them, and opportunities also come looking for them. In other words, they make their own luck.

Crucially, it is the environment in which people operate that allows them to realize their talent and succeed; who they work with, the projects

they work on and how they are led. And given the shortfall in skills in today's labour market it is the task of today's leader to create an environment where the latent talents in the whole workforce can be realized.

What we mean by talent

So, what do we actually mean by '*talent*'? It is a valuable word that could become discredited with over-use or if it is used too widely without being clear about its meaning. Today, for example, we can see that 'talent' may mean someone who is physically appealing, or a Star, or a prima donna, or a capable all-rounder, or simply someone who has a specific skill. The danger is that if the term is over-used and discredited then the concepts behind it are similarly disparaged or dismissed. In business, language really does matter. For that reason we have tried to provide a very clear definition of talent: one that is grounded in business reality.

We like the conventional view that talent is a special ability or a capacity for achievement but that definition is understandably broad. When it comes to organizations and the challenges of leadership, we believe that a talented person is anyone who adds value to an enterprise or activity. Or, to put it another way, to be considered 'talent' you have to add value to something; improving it in some way.

This is one reason why talent matters so much: because it lies at the heart of improvement, innovation, competitiveness, customer service and progress. In the twenty-first century it is no longer enough simply to focus on a few 'high potential' executives, those people who demonstrate a capacity to be effective at senior levels. The twenty-first century has seen a shift towards value that results from: service/product innovation, brand experience and social relationships, and sharper insights from customers, stakeholders and wider communities.

To understand this view of talent further requires the appreciation of a simple economic truth: profitability requires scarcity. If there is an abundant supply of something (such as knowledge) then its price and value will be low. If the supply is scarce then it is more likely to be valuable and generate a profit. This is the law of supply and demand. And what is often at the root of scarcity? Skills and knowledge. For example, in the

pharmaceuticals industry if there is a high demand for a product for which you have a patent and no alternative exists, the future is a lucrative one, even if the research and development costs have been substantial. In this way scarce and valuable knowledge can help deliver exceptional profits. Crucially, the source of that knowledge was people – in this case, the researchers and scientists working for the pharma company. It is important to realize, however, that it is not people, potential or talent that are scarce, it is people with the right knowledge and skills. Our organizations make life harder for themselves than they need to by ignoring the necessity for leadership, by focusing only on a chosen few, by failing to help people realize their potential, and by using the many to develop things that are original, insightful and valuable. What we need to be doing, therefore, is closing the gaps in skills. This means upgrading education and also locating business in ‘talent hubs’ – those places where specialist skills are in high supply.

That much may seem obvious. It is hardly a revelation that the talent in a pharma company rests with its scientists. But just as the scientist’s expertise is the culmination of their background and studies and is now part of a process of generating knowledge and understanding, then producing and selling a product, so that scientist is also being supported in their vital work. Other people are contributing in significant, valuable ways so that the scientist can make a breakthrough and the product can be developed, put into production, marketed, distributed and improved. In fact, we would go so far as to say that however brilliant the scientist, if that support is not there at some level, then success will be highly elusive if not impossible.

Talent ecology and the truth about talent

A talented person is anyone that adds value to an enterprise or activity – a concept that is simultaneously simple, vital and often challenging.

The definition that ‘talent’ is the ability to generate value is significant. One of the most often debated points among people management professionals is how to determine ‘potential’ and ‘talent’, prompting the question ‘potential for what’? How can you accu-

rately predict someone's future capability to succeed in a leadership role? The key point is the emphasis on prediction, one that we believe is too loose and unreliable. It is time for a more tangible definition of talent: one that is more robust, reliable and dynamic than future predictions and guesswork given in an annual performance rating. A more rounded definition takes into account an individual's impact on their organization – the difference and value that result from their presence and their effort.

This definition (that 'talent' is the ability to generate value) gives us the truths about talent. One of the most significant truths is that talent requires the right environment in which to thrive. We call this *talent ecology* and it is the situation, culture and surroundings in which a firm's talent operates. Ecology is a great metaphor for talent; for example, it makes the point that talent does not exist in isolation but relies on its surroundings, it can be fragile, it grows and benefits from nurturing. This concept and its implications for leaders and organizations are discussed in detail later.

This definition of talent has several fundamental implications for leaders and their organizations. First, innovation, relationships and development are inextricably linked with talent. This means moving away from traditional approaches to managing people with a hierarchical focus on executive potential to an approach that favours those who can innovate, sell products or ideas, learn how to improve and do more and even change the way that the organization operates. These issues are at the heart of those organizations that are successful, and they are essential attributes of firms that can manage their talent. Working in this way may not make you the next CEO but it will bring vital knowledge, pivotal relationships and a practical 'can-do' approach that favours progress, ownership and personal responsibility. This is the type of talent our organizations will need and we need to think very differently about how best to attract and retain it.

This definition applies to not-for-profit organizations as well as commercial enterprises. For example, there can be little doubt that Gary Flandro's work as an intern made a major contribution to his organization, Nasa, and to the whole field of space exploration. Similarly, the *Washington Post* may be a commercial entity that has benefited hugely from the work of Woodward and Bernstein, but then so has the whole of their profession. They made journalism appear exciting, respected and cool – at least, for a while.

The second implication of this definition is that we now need to move beyond the idea that talent can be managed. Tangible assets can be managed but talented people and their potential cannot. You can only seduce, attract and inspire it. You can't manage talent. Think about it: *talent management* is an oxymoron. Trying to manage talent is like herding cats or nailing jello to a wall, without the wall. Why would you (and how could you) use *management*, a concept that historically comprizes planning, organizing, leading, directing, facilitating and controlling an organization, to control *talent*, with its own special ability or personal capacity for achievement? In fact, the notion of talent management was coined in the early 1990s by an IT software company marketing a new employee database. Talent management works with data; it doesn't work with people and their potential.

Another implication that springs from the definition of talent is the fact that it is *diverse* and much more ubiquitous than we might think. Sometimes it stands out but often it goes unnoticed and unfulfilled, linked to an indi-

Success is rarely an individual pursuit. Talent and value result from collaboration; this might be through team effort or through peer competition.

vidual's self-belief and an organization's capacity to engage with their employees. Those who confidently exhibit their strengths, are self-aware and take personal responsibility for their life and career, are more likely to find ways to add value, and this talent is more

likely to be recognized. Equally, those who have yet to realize their capability require roles and environments that continually teach new skills and inspire self-belief. In each case, we believe that potential (meaning the ability to display talent and add value) is discretionary and that talent needs to be engaged rather than managed on its own terms. This concept of discretionary potential is also explored in detail later.

Given that talent is about adding value for an organization we should also think about building talented enterprises where our most capable people are focused on creating value and achieving their full potential, not simply chasing the next promotion and possibly over-reaching themselves. While value is generated by individuals, most often it is realized through teams and social networks inside and out of the organization. This means that we need to find people with diverse skills and experiences and value individuals and situations that are different to each other.

This approach is eloquently explained by HSBC, one of the world's largest financial services businesses. In their welcome pack for new employees joining their UK business they make this statement: 'In a world where a uniformity and standardisation dominate, we are building our business in the belief that different people from different cultures and different walks of life create value ... It is the combination of different people and the fusion of different ideas that provide the essential fuel for progress and success. At HSBC, diversity is something to be valued and celebrated. Working with colleagues from diverse backgrounds and cultures ensures greater understanding and insight. Diversity is not only an inescapable feature of our history and growth: it is the essence of our business. Our colleagues and our customers are of every culture, colour, belief, and ethnic group imaginable'.

Since businesses today need to create value in almost every area of their work this means adopting an abundant mindset to talent: it is no longer scarce, it is all around us. We just need to get better at creating environments that encourage it. This benefits every individual and their employer in a symbiotic relationship with the success of one relying on the success of the other. This mindset that talent is abundant also means revisiting the 'psychological contract' and understanding how work can be made more meaningful. It also requires that we look at the environment of our organizations: the concept of talent ecology.

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An individual's potential is both realized and, at times, constrained by the culture, interdependencies and leadership present in an organization. In this situation, we need to think less about the tall trees and much more about the whole forest. In management literature this is often referred to as a systemic approach, with the whole organization being more than the sum of its parts.

Generally speaking, talent, by which we mean the ability to create value, is abundant. The economic and social progress that has been enjoyed worldwide during the last 100 years has resulted from the efforts of the many, not

the few. The recent years have seen this progress extend into whole new societies, including the BRIC and N11 countries mentioned earlier. Without doubt this ‘progress’ has caused severe problems as well, and what we have seen is a sporadic, unpredictable route to progress and greater productivity, punctuated by economic problems and business failure on a massive scale. We suspect that this haphazard progress reflects a haphazard and largely unsatisfactory way of managing people.

The truth about talent

Given that talent is abundant and defined by the way it creates value, talent management is much more about people and leadership and much less about anything else. One consequence of this view is that today’s talent practices and attitudes are ageing and getting past their sell-by-date. In short, we believe that it is time to explode the idea of talent management. We have both worked in the area for many years, witnessing countless studies, surveys and projects. The conclusion to each of these is always the same; ‘we don’t have enough, quality people’, ‘we must do more’, ‘HR are not proficient’, ‘leaders are not giving this enough time’ and so it goes. We wanted to get underneath the reason why we never have enough talent and why it appears to be so difficult to manage. We looked at practitioner case studies, prestigious academic articles and we talked with leaders in a number of commercial and non-profit organizations. We also conducted a unique, global study looking at people’s beliefs about talent and how organizations deal with it. (This study compiled the views of almost 300 leading practitioners and executives worldwide.)

These studies suggested it was time to revisit first principles. We noticed that an entire industry had grown up around the idea of talent management including: software packages, consulting practices and special development programmes. Clearly, there are vested interests that have turned the process of ‘talent management’ into a specialized, mysterious black art. It need not be this way. Each of these is based on a shared belief that the talented are a small, exclusive group, ‘the brightest and the best’, that they should receive intensive investment, that their careers could be managed in a way that

would enable them to succeed to the highest levels. And yet, more than a decade after the famous McKinsey study *War for Talent* research we could not find an organization that felt they had really succeeded in a way that met their needs.

HR leaders told us confidentially that when they invested in exclusive ‘fast track’ groups or talent pools they found it difficult to follow through with career moves; retention then became a major issue with those identified as ‘talent’. Those in the talent groups talked to us of mismanaged expectations. Those outside the talent groups felt sidelined and disengaged. Despite these problems, leaders still questioned the quality of the supply and spent millions on external, executive recruitment.

One respondent commented: ‘It’s almost like you get one piece of the puzzle in the right place and the other pieces move around – it’s like playing Tetris’. Another said: ‘We have built a good fast track programme for our future leaders but it instils a sense of expectation of promotion we simply can’t satisfy’.

It seems that conventional approaches to talent management have demanded substantial investment for little, if any, gain. Moreover, there is a growing unease that conventional approaches to talent management actually *destroy* the value in an organization.

What’s more, despite seeing a whole industry emerge and human resources (HR) professionals mature and grow in sophistication, it didn’t feel that we were closer to getting any better. Indeed, many of our participants in the global survey told us that the idea of talent management itself felt tainted and that the original goals of talent management felt even further away. In this respect talent management is a little like Soviet communism: an interesting, well-intentioned idea in theory but a disaster in practice, rooted in the previous century and now with a vast range of vested interests, and it is now outstaying its welcome.

This is when we realized that the fundamental beliefs around the whole area needed to be examined. These fundamental beliefs that we believe are flawed are:

Conventional approaches to talent management are a little like Soviet communism: an interesting, well-intentioned idea in theory but a disaster in practice, rooted in the previous century, now with a vast range of vested interests – and a concept that has definitely outstayed its welcome.

- There is not enough talent.
- Only the very brightest are talented.
- These people will become our future leaders.
- The lion's share of resource should be invested in them.
- HR's role is to accelerate the development of these individuals and engineer their careers.

We began to question how these assumptions stood up to the changes of the twenty-first century with its complex demographics, social fragmentation, globalization, emerging markets, technological progress, shifting expectations and priorities, economic boom and bust and new business models. We concluded that they are assumptions from a different time.

Our belief is that decades of investment in elite cadres of future executives have really not paid off. In this world talent was viewed as a scarce resource, there was never enough of it; potential was fixed and rare; those who were assessed as demonstrating the highest potential (usually those displaying similar characteristics to those who had already made it to the top) received dedicated investment, mentoring, intensive development, managed rotations and unsurprisingly they too made it to the top. The remaining 90% of the workforce received by comparison a disproportionate level of investment and, equally unsurprisingly, skills shortages in all areas widened. Now if the purpose of these Darwinian approaches to talent was to deliver succession plans and build more of the same then they were moderately successful. If the intention was to achieve anything else, then they have surely failed. We believe that the nature of business and work is changing so rapidly that investing solely in talent pools that take years to mature is static, complacent and commercially dangerous.

More than ever, talent operates systemically: talented people are attracted through relationships, developed through relationships and retained through relationships. The opposite also holds true.

We think it is time to think more carefully about the organizational context and to examine our assumptions about talent itself. We think that we are applying twentieth-century reductionist thinking to twenty-first-century challenges and people.

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ships, developed through relationships and retained through relationships. The opposite also holds true.

Most challengingly, we believe that everyone in the organization has a role to play in strengthening the supply of talent. This is not just about how we help people build their skills and capabilities and achieve their potential, it is also about how we structure the nature of work itself. Crucially it is the *talent ecology* of an organization that determines success: by which we mean how the organization functions, why it exists, what it values and how it changes. We need to concentrate on the organizational context for talent, looking more closely at the forest of tall trees. Because, when it comes to the talent debate, we quite literally have not been able to see the wood for the trees.

On this basis there are several truths about talent that need to be considered and discussed.

We are all talent now

Organizations must think about their talent ecology: how they can build a culture where everyone has a role to play in making the organization successful. Imagine the power of realizing the potential of an entire workforce, not just the stellar careers of a chosen few.

Talent is abundant and diverse

For organizations and people to succeed, managers need to believe in the talents and potential of all their people. The alternative, continuing to behave in a way that suggests it is rare, will alienate many people in current and future generations and produce behaviour in future leaders that is short-term and self serving.

The talented are those who generate value, not merely those who can get to the top

This success might be achieved by reinventing products, market relationships and the model of the business itself.

Potential is discretionary

This idea has two elements. First, employees' effort, commitment and engagement are all on loan to their employer, and second, people can often

accomplish much more than they or anyone else might think. As a result, organizations need to find better ways to attract, inspire and particularly *engage* their people. Just as the difference between elite athletes is often very close, so the difference between great firms that are competing is also very fine – the difference is often the degree to which employees excel. Leaders need to help their people achieve their potential and excel; that makes work more satisfying for everyone than simply doing the minimum.

Growing and engaging talent is at the core of leadership

This links closely with the previous point and being able to engage talent requires great insight and skill. This is surely one of the most significant managerial capabilities. If you doubt it, consider this: how many of the world's greatest businesses are ghastly employers? The relationship between working and employment practices and business success is certainly complex but experience suggests that there is undeniably a correlation.

HR must reinvent itself to deliver practices for a 'workforce of one'

Work must become more meaningful for employees and meaning is highly individual. To achieve this, employee propositions must be highly customized and flexible.

Talented people are attracted to talented places

Leaders need to pay greater attention to the way the organization works; talented teams, networks, experimentation, openness and flexibility all matter a great deal. Ignore them and the talented ignore you.

So, how many Gary Flandros are sitting quietly in the corner of your workplace? Do they feel able to make a real, lasting contribution to your organization? The truth about talent is that they could, if only we took a different, better approach and displayed leadership that reflects the times in which we live.

In this book we focus on several vital questions for leaders and their organizations. For example, why, despite their good intentions, are leaders unable to find, manage and develop the talented people they need? How do you attract good people to your organization and how can you ensure that they achieve their full potential? How do you stimulate, engage and inspire

people at all levels to achieve greatness? How is the workplace changing and are there new rules for employment in the twenty-first century? What practical support do people really want at work and what do they get? Above all, how can you build a dynamic workforce, help people realize their potential and enable them to succeed?

These questions and, indeed, this whole book, highlight a particularly significant and possibly controversial issue. This is the view that we all have talents. We can all find things that we will fail at, and we can all be ordinary or average at many, many things, but also we all have gifts and talents. It is surely up to each of us, supported by our leaders and our employers, to find these talents and achieve as much as we possibly can with them. This is not only the progressive, competitive and self-interested thing to do, it also happens to be the right thing to do. That is the truth about talent.

In the next chapter we look at current views of talent and consider why, increasingly, they are outdated and inadequate. We explain how our understanding of talent needs to be reviewed and why we need to adopt a more inclusive approach. As an alternative we highlight the notion of *discretionary potential* – one of the fundamental truths about talent and a new way of thinking about this vital issue.

