

Assessment Becomes Critical Component in High-Growth Organizations

With companies facing a record pace of leader retirements and talent shortages, they need sophisticated assessment-driven strategies to identify top talent and accelerate leader development.

Assessment is crucial for ensuring that your organization has the leadership it needs to achieve its priorities, according to expert panelists at the recent MDA Leadership Breakfast Briefing, “Leveraging Assessment to Drive High Performance and Growth.”

Anne Gotte, Vice President, Global Talent, Ecolab, and Laura Gillund, Chief Talent Officer, Cardiovascular Systems, Inc. (CSI) described how and why their companies leverage assessments as an integral part of their talent strategies to accomplish their ambitious business goals. The event was co-hosted by

MDA Leadership executives Kevin Louiselle, EVP of Talent Strategy and Assessment/Partner, and Sarah Murphy, Principal Consultant.

Why assessment is needed now more than ever

Louiselle kicked off the event by sharing the reasons organizations are increasingly using assessments. Just as companies in all industries are seeing their senior leaders retire at a record pace, they’re also coping with full employment in many markets where the number of job openings exceed the number of job seekers, severely restricting access to high-caliber talent.

Forward-thinking organizations are experiencing such talent shortages as a key barrier to their continued growth—and proactively addressing the issue through more sophisticated assessment-driven talent strategies.

The presenters agreed that while assessment tools change over time, the assessment center methodology—in which multiple leadership attributes are measured using multiple assessment methods and multiple assessors—remains the best predictor of job and culture fit, potential for advancement, and next-level readiness (see model below).

Talent Strategies to Close the Gaps



The purpose of a talent strategy is to provide the organization with a sustainable supply of quality leaders at all levels to meet the demands and challenges of today and tomorrow. This model illustrates best practice talent strategies to close the gaps.



MDA Leadership CEO Scott Nelson and Kevin Louiselle, EVP of Talent Strategy and Assessment/ Partner congratulate Laura Gillund, Chief Talent Officer, Cardiovascular Systems, Inc.; Anne Gotte, Vice President, Global Talent, Ecolab; and Sarah Murphy, Principal Consultant, MDA Leadership on delivering a compelling Breakfast Briefing session on the topic of talent assessment.

Ecolab | Advancing Talent Strategy for a “100-Year-Old Startup”

As the global leader in water, hygiene, and energy technologies and services, Ecolab’s customers in more than 170 countries count on them to help keep their environment clean and safe, operate efficiently, and achieve sustainability goals.

Gotte, of the Fortune 500 firm Ecolab, spoke of the broad and specific assessment needs of a nearly century-old, global company with almost 50,000 employees. Annually it hires more than 7,500 and provides internal opportunities (promotions and job changes) for thousands more. “We want to be the destination for the most capable talent,” Gotte said.

Under CEO Douglas Baker, Jr., Ecolab’s growth trajectory has been extraordinary. “When we modeled future business scenarios, we came to the conclusion that our greatest limiting factor could be talent supply,” Gotte said. “We knew we needed to behave differently. We moved quickly to determine the vital talent components that would give us the most lift to strengthen the applicant pool, develop strong leaders, and invest in careers. We spend \$1 million a week in training to help people grow.”

Assessing candidates and employees for the right mix of leading-edge skills and leadership capabilities at Ecolab requires a broad range of approaches and tools.

She detailed how Ecolab’s assessment work is:

Diverse—Selection assessments cover entry-level hires to senior executives and development assessments span a range of career stages.

Scaled—Due to Ecolab’s considerable hiring volume, assessments need to follow efficient and effective processes.

Global—Selection and development assessments need to cover Ecolab’s operations across six continents.

Partner-enabled—Ecolab relies on several external resources, including MDA Leadership, to supplement its internal teams.

Gotte noted how Ecolab’s assessment strategies need to properly account for both risk and ambiguity—the risk inherent in hiring or promoting for more senior-level positions coupled with the ambiguity of many of the company’s most vital roles. More than half of Ecolab’s employees are in sales, where ambiguity is a daily given.

Impact

“Assessment helps you make choices in a world of noise. It provides guidance as you make decisions, so you can determine in whom to invest and how, so ultimately, you can accelerate the impact of your people. The return happens when someone we invest in gets to a bigger job faster—and is ready to be successful at the next level.” – **Anne Gotte**, Vice President, Global Talent, Ecolab

Highly mission-driven and approaching its 20th anniversary, 700-employee CSI is devoted to developing and commercializing innovative solutions for treating millions of people who suffer from peripheral and coronary vascular disease.

Gillund contrasted the age, size, and scope of publicly traded CSI, which recorded 2017 revenue of \$204.9 million, with that of Ecolab, which had \$13.84 billion in 2017 revenue. With a new CEO at the helm who has redefined the company's strategy from selling one medical device in the United States to multiple devices in global markets, Gillund answers questions like: Will we have the bandwidth and capability to reach these goals? How about in five years? "We can't develop talent quickly enough, and assessment plays a critical role as we navigate so much change," she said.

As with Ecolab, CSI seeks to "acquire, develop, and retain top talent to build a high-performing organization," according to Gillund, with a special emphasis on attracting and retaining employees within highly technical, specialized roles. "Most of our candidates come from other medical device companies," she said. However, as CSI continues to grow and seeks to develop its own high-potential talent, "our overall goal is to fill an increasing percentage of open positions internally, by transfer and promotion."

CSI values flexible and adaptable employees willing to "roll up their sleeves," Gillund said, who are able to thrive in a "work hard, play hard" environment. CSI has relied on MDA Leadership to create role profiles, validate a personality assessment tool that the company uses for its sales hiring process, conduct assessments at multiple levels, and identify and define the differences between talent performance and potential.

"We use assessment tools to help raise or lower our confidence in someone's future potential. Potential is very hard to assess if you don't have job levels and roles identified first," Gillund said. "Assessing potential is especially critical when building a new function, as the job continues to grow exponentially in a short time."

All director level and above selection and promotion decisions at CSI require a comprehensive assessment, while managers and other high-level individual contributors complete a less robust, yet still highly insightful, development assessment.

Impact

"We view assessment as a critical tool in accelerating our talent strategy. And we believe it is a huge miss if you do an assessment and don't leverage it for development. It's important to take an integrated approach." – **Laura Gillund**, Global Talent Officer, Cardiovascular Systems, Inc.

Assessment is crucial for ensuring that your organization has the leadership it needs to achieve its priorities.



Making Better Bets on Talent Decisions

Given that the availability of ready talent for mission-critical roles can be a “seriously rate-limiting factor for business growth,” Louiselle said, there’s an even greater imperative for organizations today to quickly gain and leverage key talent insights.

Well-targeted and accurate assessment of leadership talent is essential for guiding an organization’s selection, promotion, and leadership development decisions. Both Gotte and Gillund spoke of their reliance on MDA Leadership for its long-term experience in assessments, the validity

of its assessment results, and the overall quality of the assessment experiences the firm provides.

Given the high likelihood that top-quality job candidates and employees are being attracted by an organization’s competitors, it’s

incumbent upon companies to ensure that their assessments accurately match their character, culture, and brand promise. “We’re continuously mindful of how talent assessment allows companies to ‘make better bets’ with their talent decisions, and helps these ‘bets’ pay off,” Gotte said.

Key Assessment Recommendations

MDA Leadership and its clients advocate these best practices as they increase the ultimate impact of assessment as part of your talent strategy.

1. Make clarity and alignment on the requirements for future leadership success the foundation of your assessment work—An accurate understanding of role requirements is essential for effective selection, development, and succession decisions.

2. Scale your assessment investment to the need—Look for high-quality assessments appropriate for the leadership level and purpose. As Gotte of Ecolab says, “We take our assessments very seriously. We have a great responsibility to get it right and be accurate.”

3. When prioritizing assessment, start with pivotal roles—“Clients ask, ‘Where do we start with assessment?’” Murphy said. “The answer is—start with the most pivotal roles in your organization.” For example, at Ecolab, the Corporate Account Manager position is vital to the success of the organization, so those assessments are an important focus.

4. Target the assessment tools and approach to the business need—While there will be commonalities across assessment processes, industry trends, the organization’s strategic and cultural intent, and the unique demands of the role all have significant implications for the skills to be assessed and the methods used.

5. Leverage assessment results to guide individual AND organizational development—Both organizations leverage assessment insights as the basis for individual growth plans as well as larger leadership development efforts. MDA Leadership helps organizations gain important insights from aggregated assessment results, then leverage those insights to refine their hiring and promotion efforts and to better allocate leadership development resources. “It’s about the conversation,” Murphy said. “Leverage assessments for better decision-making down the road!”

Well-targeted and accurate assessment of leadership talent is essential for guiding an organization’s selection, promotion, and leadership development decisions.

Let’s Connect

To learn more how MDA Leadership’s proven assessment experience can benefit your organization’s talent strategy, please contact us at +1 (612) 332-8182 or by e-mail at info@mdaleadership.com.



MDA Leadership Consulting
225 South Sixth Street, Suite 5000
Minneapolis, MN 55402 United States
+1 (612) 332-8182

www.mdaleadership.com

© 2018 MDA Leadership Consulting. All rights reserved.