Is it right for two people in similar roles in an organisation to be treated very differently? Where one gets lots of attention and development whilst the other one does not? Is it right that the person given the attention is expected to be in that same role for less time than the person who does not get as much attention? This is the reality of Talent - and why ethical considerations are important.

Talent in most organisations means identifying a minority of people with the potential to fill important organisational roles and to disproportionately invest attention and development to help those few people get there. This is the exclusive approach to Talent, first prompted by McKinsey in their 2001 book “The War for Talent”. It stated that there are a finite number of people with the potential for the highest office, and organisations are effectively at war to attract and retain individuals from this elite group for themselves.

Right from the outset there is an ethical question since “The War for Talent” was researched using substantial evidence from Enron, which soon afterwards failed and was subjected to criminal investigations. However, Talent has thrived beyond Enron’s failure, without too much doubt as to its ethical position. But with Corporate Responsibility becoming increasingly important to organisations, it is vital that practitioners of Talent take the recommendations of Lord Woolf’s recent report into BAe Systems’ ethical conduct as a prompt to re-evaluate their own activities.

The report - “Ethical Business Conduct in BAe Systems plc - the way forward” - contains recommendations for world class ethical business practices. These include the publication of company-wide codes of ethical business conduct, strong anti-bribery measures in the appointment, management and payment of advisers and the introduction of measures to strengthen board oversight of ethical issues.

With the majority of organisations taking the exclusive approach to Talent, is it ethically right to single out individuals for high office at an early stage? This approach is questioned by some organisations that prefer to take a more inclusive approach to developing Talent. In these organisations, Talent is still on the agenda, but it is inclusive of everyone. This approach is perhaps best championed by Marcus Buckingham, author of “First Break all the Rules” who sees Talent as patterns of behaviour which can be applied to every organisational role.

Yet with the exclusive approach to Talent being the more common, it is important to recognise how to make this unquestionably ethical. Firstly, the purpose of identifying Talent must be clear to all, Talent or no-Talent. In most cases, the purpose is to fill the most
important roles with the best candidates. They can justify disproportionate investment in a small number of people because of the enormity of these roles, and by filling them with the best people the organisation is more likely to continue effectively for the benefit of all its employees. In a similar vein, recent Olympic success for Team GB was based on disproportionate investment in a small group of athletes.

Secondly, the contract between Talent and the organisation must be transparent and fair for everyone to understand what is expected. There needs to be an understanding of the expected return. The organisation will invest money and resources and expect world class candidates for its top jobs. The individual will invest time and effort and will expect the chance of getting the best jobs the company has. This could be as explicit as a signed contract. In sport, it is common for contracts to explicitly lay out the expectations and investment of both sides.

Another ethical area is the extent to which Talent conforms or confronts the organisational establishment. Identified Talent will naturally conform because they will be required to align themselves with the business, especially if this is contractually explicit. However, the ability to confront should be recognised as a critical attribute. Talent needs to challenge the status quo and help shape the future of the organisation. The most extreme example of this failure to confront is with Enron whose competitive culture ensured the “best” were unquestioning loyalists. If Enron’s top managers had welcomed confrontation as well as conformity, they may have stayed on the right side of ethical standards, and the right side of gaol.

It is essential that Talent is associated with the highest ethical standards. If you welcome fairness, transparency and challenge, then you are not only more likely to stay ethical, but also to attract ethical Talent.