Talent management programmes will almost inevitably face the question: “Yes, but is it successful?” Not being able to provide a convincing answer weakens HR’s credibility hugely in this area.

One reason why it’s such a difficult area is that there isn’t always agreement about what talent management is, and what separates it from “business as usual”. Another is that the term is sometimes used to describe the process, and sometimes the result. This distinction is crucial – if we don’t know what we’re talking about, how can we know whether we’ve succeeded?

Measuring talent management programmes is an important signal to the rest of the organisation, is valuable as a discipline and may be essential to get continuing support. You have everything to gain by making sure that you, not others, lead the performance agenda.
IDENTIFY THE PROBLEMS
It's essential to have consistent information on those covered by a talent management programme over an extended period, including leavers. Try to identify indirect effects too, such as on employees not covered by the programme.

The measures have to link HR objectives to those of the organisation as a whole. A danger is to focus on activity and process - for instance, numbers of people covered, numbers of interviews and turnover before and after - rather than on what's being achieved. These are interesting for HR but not for others, and are of little use in measuring success.

However, going to the other extreme and trying to link changes in profitability to talent management is equally dangerous, as the chances of you making a credible link are slim. Finding appropriate comparisons is also an issue. To start with, it isn't easy to get the information you need about other organisations. It's even more difficult to compare a programme with what would happen to the time and money if you spent it on something else. Fortunately, these problems can be tackled by the actions outlined in the following steps.

MAKE BETTER COMPARISONS
If the organisation has a number of similar divisions or units, comparisons can start internally. But to avoid complacency, you should focus on external comparisons wherever possible. These could be through data swaps with other talent management programmes, or with elements of programmes such as selection criteria and the definition of high potential.

A set of "monitorable" milestones should be set up to show comparisons with the original plans. These provide essential shorter-term indicators of progress and help to answer questions from colleagues about progress. It's important to remember that "monitorable" does not mean "quantitative" - it's better to have relevant words than dubious figures.

FOCUS ON OUTPUTS AND OUTCOMES, NOT ACTIVITY
Output measures will generally be interview-based and could include the views of employees and their line managers and the results of exit interviews. They could also come from regular reporting and feedback on issues such as retention and engagement of those in the programme compared with the peer group.

Indicative outcome measures include how easy it is to make appointments to identified key posts, the numbers of candidates available and the proportion of vacancies earmarked for promotion that have been filled internally. But the "gold standard" outcome measure is how the programme contributes to organisational success compared with relevant competitors over a period of time. This is, after all, what a talent management programme is designed to achieve. There will be no definitive answer but measurement should go as far as possible, with a good commentary to explain the gap between aspiration and performance.

KEY POINTS
- Define key elements, such as relevant posts covered and choice for vacancies.
- Compare with other organisations in such areas as selection criteria and definition of high potential.
- Monitor outcomes, such as engagement of those on the programme compared with those who are not.
- Provide a good commentary that is lucid, focused, balanced, concise and jargon-free.
- The "gold standard" is how the programme contributes to organisational success compared with that of relevant competitors over a period of time.

MITIGATE REMAINING PROBLEMS
Improving measures as set out so far will provide better answers, but the remaining limitations of performance measurement will need to be acknowledged.

That's why a good (lucid, focused, balanced, concise and jargon-free) commentary is as essential as the numbers. Explanations will need to take account of external factors, such as the competitive environment, to separate the contribution of the programme from fluctuations in the employment market.

Discussing your programme with senior management beforehand will help to get their buy-in. Information on how they and line managers feel should then be "topped up" at regular intervals so expectations are continually shaped to what is realistic.