



10 The Saleability Test – Strategies to acquire world class talent

One of the key drivers of shareholder value is the quality of second tier management. Buyers of companies, sponsors of IPOs, and PE & VC companies invest in products, people and markets..... but especially people! As a recent [WSJ](#) article put it so well, investing in great talent (as opposed to one superstar) assists in four key areas:

- the creation of knowledge, sources of information.
- insightful and honest feedback.
- provides a critical link to clients.
- allows senior management to shine.

Practiced acquirers don't have a warehouse of post acquisition specialists that run the acquired target for the next 5 years! They need a plentiful supply of world class and effective talent.

Now is an unusually attractive time for small and medium sized companies to acquire this talent. It's more available and at a better price than at any time in the past twenty years!

The key is to think proactively. Ideas worth considering include:

- Employer branding; [a recent WSJ](#) article highlighted using segmentation techniques to find the talent you need.
- Discard job specifications and instead create "performance profiles" that set out the various roles that the business needs to see being performed well. Many of these profiles will describe roles in say, "social media measurement", which are badly done today.
- Review new ideas from HR specialists like [Dr John Sullivan](#). His web site is packed with great strategies on acquiring talent.
- Build a tight and meaningful relationship with an outside recruitment house.
- Deploy state of the art technology to control your recruitment process.
- Educate all staff on your compelling story, turning it into an evangelistic message. Passion is infectious to prospective candidates.
- Attract similar passionate people to you, by publicizing your culture, Google, Pixar, Apple and smaller private companies such as MathWorks come to mind.
- Create a University concept. At Teamstudio, a small successful software company, I was able to create an identical induction experience for new staff covering their first 6 weeks whether they were joining the US, EMEA or APAC offices.
- Encourage the execution of projects by the use of multi-disciplinary teams cutting through old fashioned silo departments. Then advertise this approach to prospective candidates. You are competing for the best talent in the marketplace. Attractive training and job experience are often higher priorities than marginally better salaries.
- Create innovative, clear and precise long-term incentive plans. In private companies, subject to tax advice, it is possible to create really smart capital instruments that return



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lower rewards if someone leaves but offer attractive returns on achievement of strategic goals. Public companies should look beyond share options to offer a more direct and granular reward for second tier management.

The acquisition and retention of great talent should be high on the list of any CEO's agenda. Next to positioning, it's the one thing that makes a material impact on shareholder value.