

WingSpread Applications



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Creating a meritocracy through strategic human capital management applications to build a more productive workforce.

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This is the second in a three part series on WingSpread. The first paper described the fundamental concepts behind WingSpread and placed them within the context of the times. This paper builds upon this foundation and describes WingSpread's specific applications to business. Specifically, it discusses how information collected by WingSpread is delivered as solutions to address the important human challenges faced by organizations today.

Introduction

Tradition is the beautiful younger daughter of ritual. For the last 3.5 billion years, evolution has been taking notes. It tries experiments. It wakes up each morning, does a little mutagenesis, changes a nucleotide here and there, and sees what works. If it is a success, it keeps the notes. If not, it throws them away. In this notebook we have the information of the greatest experimental tinkerer ever.

Workers in organizations are entries in this notebook. Each day they get up and try thousands of little experiments; rituals forged in the fires of practicality mature to traditions. Those experiments that work they keep, and in time, these become codified as skills. Some of the experiments are ancient, like accountancy, records of which, archeologists tell us, are the most commonly found artifacts in any dig. Some skills are quite new. Cutting edge fields like nanotechnology and proteomics are creating skills humanity has never required before. But at their most elemental level, skills are the visible logic driving any organization's work.

For these compelling reasons, WingSpread is inevitable for business because it embraces the currency of skills. Even now, in its relative infancy, the WingSpread methodology has numerous uses or applications. And these applications will grow only more numerous and powerful through their use. The reason for this is fundamental: technology is transforming corporate innovation at its core. Companies can test new ideas at speeds — and prices — that were unimaginable even a decade ago. Inevitably, the power of digital technology is overriding analog corporate efforts to suppress it.

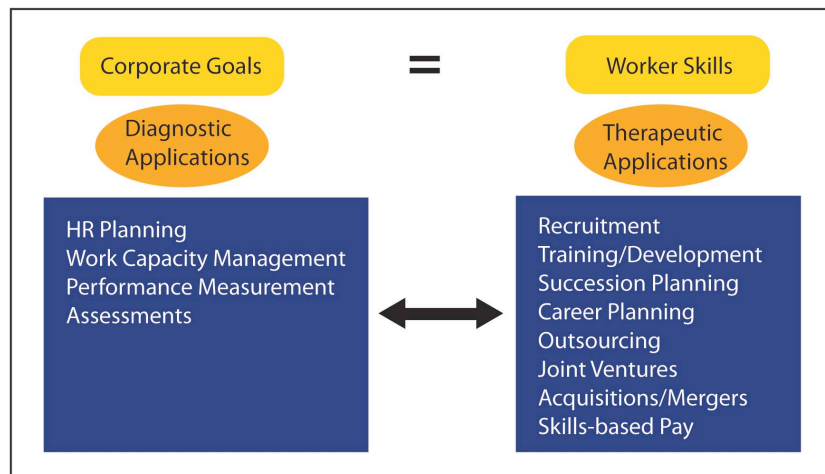
Nowhere is the digital vs. analog struggle clearer than in how organizations manage their workers. Organizations have a resume mentality – a slavish dependence on the resume structure as the definitive measure of human capabilities. From recruitment to retirement, organizations assess, assign, and promote their workers through some form of resume structure. In reality, position descriptions are nothing more than resumes written by organizations.

Resumes and the corporate derivatives of them are analog documents. They describe what a person should look like, not what they can do. WingSpread is a digital technology. The uses of WingSpread described below intimately link what the organization needs done with what its workers can do.

WingSpread Applications

WingSpread applications are designed to balance the following equation: corporate goals = worker skills. As discussed in detail within the first whitepaper, this simply means that properly functioning organizations must balance the relationship of work to be done with what workers can do.

We divide our existing WingSpread applications into two logical groups; diagnostic and therapeutic. Diagnostic products tell us where the human problems are and measure them in the currency of skills. They define the gap. Therapeutic products offer a wide choice of fixes for them that vary in cost, rapidity and energy. They offer business decisions to close the gap.



Diagnostic Applications

Diagnostic applications tell us whether human capital problems exist and where they are in the organization.

1. Human Resource Planning

Human Resource (HR) Planning is the most important, but least practiced, of human resource strategies. It is guided by the fundamental relationship between corporate goals and worker skills established in our first whitepaper.

$$\text{Corporate Goals} = \text{Worker Skills}$$

All HR Planning is an attempt to balance this equation by establishing and measuring both sides and bringing them into balance. Because it is very much a dynamic – both goals and workers skills constantly are changing -- it requires an automated system to follow, and skillful professionals to interpret the results and select solutions based upon business logic, not merely on intuition. As a result, HR Planning can acquire the scientific basis it has rarely, if ever, enjoyed in the past. Because WingSpread establishes an indelible link between human assets and profitability, once established, the power that comes from knowing the link will assure HR “a seat at the table.”

2. Work Capacity Management

Work capacity management looks at the specific task burden of a unit or project and calculates the skills necessary for its accomplishment. It then compares this to the assigned worker skills; showing them to be equal, under-populated, over-populated or non-existent. It is a rapid early warning system. It allows palliative actions to be undertaken to prevent work capacity failures before they occur.

Work capacity management is an effective way of discovering untapped skills. Frequently, workers possess skills not required by their positions. Because they are unknown, this richness of skills is wasted. For this reason, in data collection, WingSpread samples all skills possessed by a worker through their Individual Profiles, not just those pertinent to their positions. Thus hidden skills are discovered that might offer product or service business opportunities. In this way, functions that usually were looked upon merely as support functions have become profit centers.

3. Performance Measurement

Performance in Information Age positions cannot be directly measured. Positions are simply too complex. But what can be directly measured is a necessary precursor to performance – skills – through this relationship:

$$\text{Performance} = \text{Skills} + \text{Motivation}$$

But motivation cannot be directly measured either. What WingSpread does is to start with the position's goals, calculate their necessary tasks, and then derive the skills required to accomplish those tasks. This is the Position Profile. The logic is that if the incumbent possesses the skills (Individual Profile) needed to perform the tasks, and therefore the goals required, and leadership's subjective assessment of performance is low, and then motivation is the problem.

Therefore, we can extend the measurement of performance as a function of a ration of tasks to skills. We can begin to equate the percent of tasks accomplished during the year as an absolute measure of performance. This assumes the incumbent possesses the requisite skills. Thus:

$$\text{Performance} = \text{Percent of Task Completion/Year}$$

By extension, the total corporate human asset performance would be the sum of all position performances.

4. Assessments

Assessments fall into two categories; group and functional. Group assessments allow comparisons of the skills repertoire of two separate corporate groups; companies, divisions or subsidiaries. Functional assessments look at the performance of a single functional unit. For example, Company A is outperforming Company B although they are essentially similar. Is there a skills basis for this difference? Or, in functional applications, a particular entity is having difficulties with sales. Is there a qualitative and/or quantitative poverty of sales management skills that is responsible?

Therapeutic Applications

Therapeutic applications tell us how to fix the human capital asset problems identified by the diagnostic applications.

1. Recruitment

Recruitment is conducted either outside or inside the organization. While it is the most rapid way of closing a skills gap, it is often the most expensive in terms of money and cultural dislocation. At its heart, recruitment is a search process guided by four steps; assess precisely what is needed (What are you looking for?), select those who fulfill those needs (Where are they now?), acquire them for the enterprise by discovering and utilizing their “strong attractants” (How can you get them?) And then, once acquired, develop them to their potentials (How do you get them to blossom?).

The crucial instrument guiding each of these four steps is the Target Profile. Developing a robust Target Profile is an iterative process. WingSpread researches the position and suggests an initial profile to leadership which contains about 80 percent of the skills in the final profile. Leadership perfects this profile to about 90 percent finality. This profile is used to assess leadership’s “best and brightest” in the position who, in turn, perfect it to about 95 percent. The resulting profile is used to assess the remaining position incumbents who perfect it to about 98 percent of the ideal.

The most important reality of Target Profiles is that they are directly linked to and satisfy definable aspects of corporate goals. They are not derived from Position or Job Descriptions which most frequently are but rote collections of expectations, psychological traits, and desired histories with a tenuous linkage to corporate goals. In addition, because these descriptions are usually mind-numbingly tedious, it is likely they have been adulterated by numerous, uninformed revisions through time.

A number of subtle but very important things happen along the way to developing the Target Profile in this manner.

- **Assessment:** The process assures a marriage of external expertise with corporate wisdom, and endows the search with multiple authors,
- **Selection:** The precision of the profile affords insights into innovative sourcing strategies,

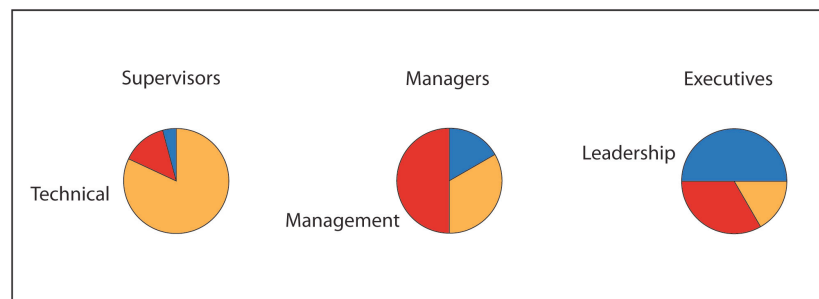
- **Acquisition:** It identifies strong attractants and prepares the organization for the new worker,
- **Development:** It provides a training and development standard for both the newly acquired worker and incumbents.

Finally, recruitment using Target Profiles enables both conventional and automated methodologies. An example of an automated method is to use the rigor of the profile to predict where and when people who match the profile tend to congregate on the web. Then, pop-up ads with strong attractants designed to appeal to the appropriate individual would be used to harvest them to a secure site running a WingSpread profile of the position under search. These candidates complete the profile and send this to corporate HR. HR selects the highest scorers, validates their skills through telephone interviews, and invites the final candidates for personal interviews.

This is a particularly effective strategy for positions where candidates are extremely rare, or where large numbers of candidates frequently are required.

2. Training and Development

Most organizations draw a distinction between training and development. Training is reserved for technical skills, and development is the domain of managerial and leadership skills. The two are actually a continuum. The percentage of each domain changes with increasing responsibility, not the skills required by the position.



It is likely this distinction exists because practitioners have viewed management and leadership as “soft” skills when compared to those of technology. They aren’t. These skills meet the scientific criteria of technical skills in that they are measurable, teachable, and reproducible.

Individual training and development are driven by the Development Profile. Corporate-wide training and development programs are accomplished by creating a Virtual Profile

of all Development Profiles. Then rank ordering the skills needs, HR can design training curricula tailored to teach those skills.

3. Succession Planning

Succession and replacement are closely related but not the same. They are both attempts to develop bench strength for a position but use different target profiles. Replacement attempts to clone the incumbent by using the incumbent's Individual Profile as the search target. By contrast, succession uses the Position Profile, which may well have been modified to reflect new demands on the position, as the target profile. In WingSpread, both are downward searches using the appropriate Position or Individual Profile to find one or more of the closest fits.

Succession and Replacement plans must be kept congruent with individual Career Plans. Conflicts should be anticipated and resolved through human resource and supervisory counseling with the worker.

4. Career Planning

Career Planning is one of the most powerful aspects of WingSpread. It is accomplished by the worker searching upwards through successively more senior positions with his current Individual Profile. The searches compare his current skills against those required by Position Profiles of successively more demanding positions. Development Profiles for each progression can be produced. These searches can be as narrow (within his/her Function) or as broad (encompassing the entire organization) as desired.

The Development Profiles for each progression can then be translated into time, energy and cost projections for both the individual and the organization. At this juncture, any conflicts with the corporate Succession Planning can be recognized and resolved. A robust Career Planning program is the most potent retention strategy a company can adopt.

5. Outsourcing

Companies outsource for a few fairly obvious reasons: to reduce cost, to keep focus on their core competency, or to acquire skills and economy of scale from a firm that specializes in a certain area (i.e. Professional Employer Organizations who provide HR and accounting/finance services). Unfortunately, when it comes time to pick an outsourcer, the company is left with few solid tools to assess the skills actually

possessed by the outsourcer, to whit referrals from other customers and/or the inevitable sales presentation. Using WingSpread, a company is able to quantify its outsource requirements (what skills are missing, what skills are not considered core to the organization's business) and then measure the skills to be provided by the outsourcer. These skills can then be made part of a contractual relationship, providing a measure of operational performance.

6. Joint Ventures

Taking on a partner brings with it uncertainty about the capabilities of both the partner and the combined new entity. Using WingSpread, an organization is able to assess its own capabilities and that of the partner. With this knowledge, decisions can be made about the right mix of skills needed to create a successful venture.

7. Mergers and Acquisitions

WingSpread is capable of evaluating the dollar value of human assets in an acquisition target company before the transaction. Assuming that the parent has a full WingSpread running, it is possible to calculate a dollar per skill value for each position in the company. When this value is compared to equivalent positions and individuals in the target company, it is possible to establish a precise dollar value for each worker.

By objectively assessing the human assets of the target company before the fact, leadership can determine who to keep, who to let go, who to transfer from parent to acquired, or vice versa. The logic is the same for mergers. This process puts human capital accounting on a par with financial accounting.

In addition, because skills and tasks are intimately linked in the parent company, it will provide valuable insights into innovative and powerful skills realignments with the new employees

8. Skills-based Pay

Once an organization has directly linked the fate of its goals to the skillfulness of its workers, then the logic of financial reward for those skills becomes compelling. Skills-based pay is inherently fair to both company and worker. In addition, it is a tremendous recruiting, retention, development and motivational incentive

Conclusion

Each year, in organizations around the globe, a handful of men and women sit in a room and determine the fate of their companies. In time the product of their deliberations becomes hardened into corporate goals. At its most fundamental, it is a process of collective intuition. That's not bad. But it's rarely equal to the challenges of the Information Age.

We have argued that these goals demand that their organizations possess the human skills necessary for their accomplishment. Intuiting that these exist is unwise. Both goals and skills must be measured and compared. This paper has discussed how WingSpread assessment data is transformed into the necessary information and how that information is transmitted to organizations in timely response to their needs.

In practice, WingSpread's diagnostic products create two very powerful databases of skills; those required to accomplish corporate goals, and those possessed by the workers. When the two are compared, inevitably a gap exists. WingSpread's therapeutic products provide organizations with numerous ways of closing this gap. Each is a well-substantiated business choice.

The governing dynamic of WingSpread is to help organizations transform themselves into high performance organizations; to help create a meritocracy of skillful leaders and equally skillful knowledge workers who envision and do extraordinary things.

About the author

Wayne Reagan is the Founder and Chief Executive Officer of WingSpread. With over thirty years of experience in retained search and corporate strategy consulting, he is a recognized expert in the field of Human Capital Management. Wayne began his career by forming Delphi Systems to redefine the recruitment industry, through which he developed the Blackbird executive development program and WingSpread. Wayne is also an accomplished author with works published on organizational behavior, political science, history, medicine, and computing.

About WingSpread

WingSpread™ addresses the fundamental equation governing Human Capital Optimization: “The work to be done must equal what workers can do.” Skills are the critical element in solving this equation as skills are measurable and quantitative. Developed from over 30 years of experience in the fields of executive recruiting and corporate strategy, WingSpread™ applies an innovative methodology and web-enabled “SaaS” analytics technology to help organizations to evaluate talent and take decisive action. Our solutions enable companies to overcome challenges of talent recruitment and development, corporate restructuring and mergers and acquisitions to achieve better returns on their investment in human capital.

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