

The CEO's role in talent management

How top executives from ten countries are nurturing the leaders of tomorrow

Executive: Scott Mac Meekin

Title: Chief Executive Officer

Company: Bossard Trans Pacific (a subsidiary of the Switzerland-based Bossard Group)

Location: Singapore

CEO since: 1996

Age: 48

Previous position: Vice-president, Global Logistics

Sector: Fasteners

Unit revenue (2005): US\$200m

Scott Mac Meekin is not consumed with building up his bench. The CEO of Bossard Trans Pacific says that in talent-hungry South-east Asia it is difficult to retain bright executives once they have the skills to be CEO or to fill other key positions. Chinese companies are especially quick to poach top managers. "My belief is that if there's a person capable of running the company effectively, they would resign because they would want already to be senior." He adds: "I'm not trying to put a lot of resources into building the bench because, given the turnover in Asia and salary inflation, which in countries like China is runaway, it's tough to keep a good guy in a second-class position. If he's capable, somebody will pick him off."

The subsidiary of the Switzerland-based Bossard Group relies heavily on headhunters and employee referrals to find new employees. Nevertheless, Mr Mac Meekin can pinpoint his own successors and replacements for most of his inner circle of 12 executives. Moreover, he believes that talent management is important. There are times when he would like to fill positions from Bossard Trans Pacific's own ranks. Last year, he had to promote an executive to a key position, although he lacked the right experience. "Is that good succession planning?" he asks. "I would have to say no. Nowhere in the group did we have a proven general manager who would or could transfer." Mr Mac Meekin says that talent management also helps executives to improve their skills, leading to better financial performance.

Mr Mac Meekin and his executives spend 40% of their time on talent management. The

CEO's inner circle consists of 12 senior executives, half of whom run divisions while the others oversee key areas, such as finance and information technology. Bossard Trans Pacific cultivates successors for these positions from a wider group of about 70 executives.

Each general manager of a business unit supervises 10-14 people. Mr Mac Meekin says this number is too large to micro-manage and means that each general manager must excel at developing strong subordinates who do not need a lot of guidance. "They have to have good-quality people in the next level," he says. "Those people have to be independent enough to know what the strategy is, know how to execute it and have to be capable of executing it."

Three times a year, Mr Mac Meekin holds progress meetings with his direct reports. The meetings can last a day and cover productivity and subjective areas. The company uses a software programme to track whether managers are meeting goals. Bossard bases financial rewards for general managers on

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revenue and profit of their divisions. It bases 70% of its functional managers' compensation on results and the remainder on qualitative elements, such as their ability to develop subordinates.

The company's Total Learning Plan helps managers to improve through classroom work, Internet programmes and special events. They cover such topics as team work and changes in strategy. Bossard Trans Pacific enables several employees to pursue master's degrees.

Mr Mac Meekin also favours using project work to help executives progress. Bossard transfers promising executives from their jobs to lead year-long initiatives. As of February, Bossard had seven executives filling these temporary roles. The assignments help these managers to broaden their skills. In one instance, Bossard chose a manager from India with expertise in supply chain issues to assume a more multi-faceted role in

Singapore. But these projects also test an executive's ability to develop talent in their own organisations. "Back home, if you left a mess, then probably you haven't been able to create the talent and systems and whatever are needed to create stability without you," he says.

Bossard employs executive coaching and informal mentoring. As part of his own approach, Mr Mac Meekin invites executives from one division to join him at the monthly or bi-monthly meetings of other Bossard business units. "I'm there for a day, got the whole team in a room. We're talking about where we are, where have we been, and where we want to go. I will step back from the business unit and say [to the person accompanying him], 'What do you see here? Do we see the same things?' I don't know if that's mentoring but I think that's helping to understand the execution that we're looking for."