



YOUR BEST TALENT IS OFTEN OUT OF SIGHT

Words Matthew Rock Illustrations Tim McDonagh

JAPAN'S BULLET TRAIN system is one of the most complex engineering triumphs of the 20th century. At one point in the 1980s, when Japan Railways East was expanding the network north of Tokyo, one of the new routes, which required drilling a vast tunnel beneath Tanigawa mountain, was delayed because of water seepage through the roof of the new tunnel.

As the contractors pondered on how to address the problem, a maintenance worker (whose name has sadly been lost to history) piped up that the railway workers actually enjoyed drinking the fresh mountain spring water; he suggested that the railway bottle and sell it to supplement the costs of the build.

Oshimizu bottled water is today ubiquitous in Japan, sold at every one of the 1,000 railway stations where the high-speed network stops, and has generated many millions of yen for the rail company. Business is littered with stories of the humble worker whose suggestion altered the course of history. NutraSweet, for one, was born when a research scientist called Jim Schlatter accidentally spilt a drop of an anti-ulcer drug onto his hand, and noticed the sweet taste.

Speaking to *Professional Manager*, John Timpson, chairman of the Timpson high-street shoe-repair chain, explains the origins of his company's watchrepair line. "When I visited our shop in 1995 in West Bromwich," he recalls, "I asked to see the turnover

figures, and Glenn, the manager, confessed that he was doing some watch repairs - something he did in his previous job but which wasn't a service that Timpson offered.

"How much are you taking?' I asked. 'About £100 a week,' he replied. Over the past 20 years, Glenn has masterminded the growth of our watch-repair business, which is now worth £25m a year."

Hidden gems lurk in every organisation, and finding them is an increasingly critical management priority. With digital technology offering the potential to disrupt any market, it's younger, 'hidden gem' employees - with their easy grasp of technology - who are most likely to come up with a game-changing innovation.

Take the spectacular example of intern-driven innovation at Mint Digital. Back in 2010, the digital-strategy business needed an intern software developer to help with new product development. They took on a graduate called Kejia Zhu. Once at Mint, Zhu quickly became indispensable, and started working on a new product called Stickygram (Instagram photos on magnets). Just a couple of years later, Stickygram was spun out of Mint Digital and sold to Photobox for millions. Recalling his contribution, Zhu says: "My message is, for us as developers, hackers, web people, there's a really good opportunity for us to start looking at the physical world and start playing around with

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the challenges there. It really doesn't take a very complicated idea for you to have something really amazing to wow your customers with."

Few hidden gems have made more of an impact than George Hu, who joined the three-year-old startup Salesforce.com as an intern; today he's chief operating officer of the \$48bn company, which has pretty much pioneered the 'software as a service' category. Like Zhu, Hu wasn't shy about proposing new ideas during his internship. One, which he pitched to Marc Benioff, became Salesforce's first major offering to the small-business market.

Diamonds in the rough

Ask any business leader for their 'hidden gem' stories and they'll recall a mouthy young receptionist, sales rep or shop-floor worker who went on to become a star. And they'll tell you that the ability to spot and nurture promising raw material is one of the most important tools in a manager's armoury. Every organisation has hidden talent; it's your responsibility to unearth it.

"A key role of any leader is to be a talent scout," says Lesley Cowley, former chief executive of Nominet and chair of the DVLA. "You need to find those hidden gems in your team, then nurture them to help them grow and fulfil their potential. Giving them the right training, roles and responsibilities is important, as is mentoring and support. Hidden gems will often need encouragement to develop their own career goals, but there's no stopping them once they get started!"

At Timpson, they go to extraordinary lengths to hunt out such gems. Chairman John Timpson calls it a "quest to find out where the future superstars are hidden".

The family business operates what John calls "upside-down management". Branch staff only have to follow two rules: 1) Look the part; 2) Put the money in the till. "They don't need permission to use their initiative," he says.

In many companies, junior employees can find their progress blocked by their immediate boss; at Timpson, future stars have every chance of meeting the chief executive, James Timpson, who visits up to 1,000 shops a year. Promising colleagues are regularly invited to James's Cheshire home for an overnight stay and a 12-mile morning walk, finishing with lunch at a local pub. These get-togethers give James a chance to get to know his talent pool and size up those with the potential to climb the ladder.

The firm has even taken its hidden gem quest into prison. "We've learned that a lot of ex-offenders, who are ignored by most employers, are turning into brilliant assistant area managers," says John Timpson. He expects soon to have Timpson's first area manager recruited from jail.

James Bannerman, best-selling author of *Genius*! and *Business Genius*! agrees. "Often the best ideas in business come from the least-expected places and people," he says. "One of the best modern examples was the NHS receptionist who noticed how many people kept missing their doctor's appointments. Off her own bat, she discovered there was software that linked to the practice's appointment calendar and would send out reminder text messages automatically. In a stroke, she helped reduce the did-not-attend rate, reduced her workload and pleasantly surprised the patients! These people are the hidden gems – the ones who are close enough to see what's really going on in an organisation



GEM SPOTTER

NEW TECHNIQUES FOR IDENTIFYING HIDDEN TALENT

Check out social media profiles

Do your team members have extracurricular hobbies that you should know about? Scroll to the bottom of their LinkedIn profile and look at their qualifications, awards and groups. You might discover untapped creativity.

Watch your chat forums

If you have an internal messaging forum such as Slack or Yammer, look for team members with a great turn of phrase; you may just have discovered your next communications or marketing star.

Someone who knows someone

Hidden gems aren't just individuals; they could be relationships. There's a great scene in the BBC comedy series *W1A* when the hapless intern Will Humphries turns out to be a good friend of tennis star Jo-Wilfried Tsonga. Tools such as Ebsta, which integrates email for Salesforce, enable you to extract hidden relationships inside your organisation.

Don't overlook maternity leavers

Jan Babiak sits on the board of worldleading companies such as Experian. She recalls a colleague who'd worked her way up to a senior management role before leaving to raise two children. After reading a report that lots of mothers want to return to work but assume companies will deem their skills out of date, Babiak invited her back. "I gave her two months to get back up to speed. It took her two weeks."

Ask them

Why not have a staff audit? By simply having a conversation with staff, you could find hidden gems with surprising talents you never knew they had.

yet are seldom asked for their insights and their innovative solutions."

Talent search

For decades, big corporations in the UK have been ultraconservative in the way they recruit young talent. They've relied on the university milk round and, specifically, graduates from Russell Group universities.

This is changing before our eyes.
Clifford Chance, the Magic Circle law firm, now runs 'blind' recruitment processes for final interviews, in which the staff conducting the interviews are not told which university or school the candidate attended. A partner at the firm told the *Independent*: "We're looking for the gems and they're not all in the jeweller's shop."

Similarly, PwC recently announced it would no longer set minimum A-level grades for candidates because this prevented the accountancy giant from recruiting graduates from disadvantaged backgrounds. "Removing the UCAS criteria will create a fairer and more modern system in

Rajeeb Dey, founder of Enternships, the online jobs platform that helps companies find talent, is close to

these changes. He observes that

qualifications and knowledge acquisition are being shaken up by new digital learning models (such as MOOCs - massive open online courses). Particularly in fields such as web development and engineering, many bright sparks are sidestepping the formal education system, and instead are educating themselves in technology and coding skills. If you're a big employer, chances are you won't find the best talent via the milk round, but you might find it in developer communities such as

GitHub and Stack Overflow. More and more organisations are "struggling with how to speak to hard-to-reach 17-year-olds", says Patrick Philpott, who did very well at school and could have gone to university but instead decided to start his own business, Visionpath Education, which helps companies create inspiring learning programmes.

So how can your organisation find those diamond recruits? Tech companies have taken matters into their own hands, holding hackathons at which they give young developers free rein with the latest technology, open application program

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which students are selected on their own merit, irrespective of their background or where they are from," says Gaenor Bagley, head of people at PwC.

In truth, recruitment itself is being disrupted. "The biggest thing that business leaders look for is creativity and innovation," says Ann Swain, chief executive of the Association of Professional Staffing Companies. "However, most recruitment processes are about filtering out and minimising risk, not about identifying really interesting people whose CVs are a bit different."

Bright youngsters realise that a university degree doesn't guarantee them a good job anymore, so they're taking their life and career into their own hands. At the same time, the economy is becoming far more entrepreneurial, with startups realising they can disrupt established models and take on incumbent organisations. These ambitious, disruptive companies are increasingly attractive to the best young talent. Large companies are having to swim hard to stay in the race.

Is enough being done to find hidden gems? Have you discovered talent in an unexpected place?

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interfaces and lots of pizza. And the events – usually weekend all-nighters – are, of course, a chance for in-house techies to size up new blood.

Over the past couple of years, Tom Quay's Base has been in serious growth mode. New business was flowing in and the team's output was topnotch. Quay knew that, to keep up momentum at the Bournemouth-based digital agency, he needed some great new hires. So he dreamed up re:develop, a new developer conference for the software and developer community on the Dorset coast. He'd never put on a conference before, but he felt it was worth a crack. He crowdsourced programme ideas, brought together great speakers, sourced sponsors and put on a conference attended by more than 300 people. And guess what? He found some great potential hires.

Hosting your own conference may sound like a stretch but, in a hyper-competitive world where the smartest talent is both elusive and in demand, it's the kind of creative thinking that's required.