



## Case Study. Talent Management in a Fast Growing Company.



**CLIENT:** TRADE ME  
**ISSUE:** Thinking big, acting small  
**SOLUTION:** Sonar6 talent management

### Background.

Trade Me needs little introduction – New Zealand’s largest internet business founded by Sam Morgan. Successful and much admired, Trade Me’s meteoric growth presented a unique set of talent management challenges to HR-averse Mr Morgan ...

“As the organisation got bigger, it was increasingly difficult to *know* everybody. Information about people’s capabilities was disorganised and spread randomly throughout the organisation, either in office drawers or more often just in my managers’ heads.”

### Environmental Factors.

Unlike many businesses, within Trade Me there is a crystal clear understanding of the importance of talented people to the organisation. Similarly, everyone in the organisation is responsible and empowered to both identify and nurture talent. However, the traditional HR toolbox was viewed with suspicion ...

“I used to think that HR was rubbish, that it was simply an unavoidable bureaucratic consequence of getting bigger. Sonar6 has shown us how HR concepts - when implemented carefully - can have huge strategic value.”

Rapid and sustained growth has a major impact on business culture: How can a business continue to ‘think big’, while ‘acting small’?

### Requirements.

When it came to talent management, Trade Me had three specific criteria that Sonar6 had to fulfill:

- As the organisation grew, it wanted to retain it’s distinctive, people-focused culture and not subscribe to unwieldy, bureaucratic HR processes
- Managers needed to be able to make informed decisions about their talent based on hard data as well as factoring in opinions, estimates and other so-called ‘intangibles’
- Any talent management system adopted needed to be user friendly, ‘cool’ and worthwhile to people managers



## Sonar6 Solution.

Sonar6 initially focused on assisting Trade Me to clearly define all the attributes of a successful and productive member of staff, including both capability and behavioural factors.

This wide-ranging data – from ‘hard facts’ such as sales performance, through to ‘estimates’ and ‘opinions’ substantiated only by observed behaviour such as enthusiasm for the job – then formed the basis for the Sonar6 programme. Importantly, the source of each required datapoint was detailed in online questionnaires, enabling managers’ opinions and estimates to be tied to supporting behavioural evidence. In essence, the ‘gut feel’ so frequently relied on when making talent management decisions, could now be quantified in a far more scientific manner.

Sonar6 ensures that Trade Me talent is readily identified and that development and management decisions are quick, balanced and fair.

## Results.

### On acting small:

“Sonar6 worked with us to define what people who were successful at Trade Me were like – how they behaved, what their capabilities were. They helped us create a list of factors that we use the system to rate all our people against. Not only does this give me a view of our talent strengths and weaknesses and a line-of-sight to all the people; more importantly it ensures that our culture is reinforced.”

### On making informed decisions:

“Sonar6 organises a wide range of data into coherent information that helps our management make better talent decisions. In my view, too many people decisions rely on gut feel. Sonar6 lets us make balanced decisions backed up by solid evidence.”

### On being cool and worthwhile:

“Sonar6 is not only useful for me to get instant line-of-sight to the entire organisation, but it provides my managers with helpful tools to manage their people. The programme takes great strategic management concepts and makes them applicable for everyone.”

### On simplicity:

“The last thing I wanted was to burden people with an arduous or boring HR process. Sonar6 is designed to be engaging and rewarding for all users – it’s a simple support tool to help managers make better people decisions. It’s extremely easy to use and fast to learn, and it also reflects Trade Me’s own positive culture.”



## Summary.

Sonar6 enables organisations to embrace the old adage “size doesn’t matter”! As the founder of a small, start up company, Sam Morgan instilled a people-focused culture at Trade Me and he knew each and every employee. Inevitably, the sheer size and scale of the rapidly growing operation meant this was no longer possible ... at least prior to the implementation of Sonar6.

The Sonar6 programme ensures Trade Me can retain all the advantages of its small company people-focused culture and talent management ideals, whilst embracing its exponential growth.

A parting shot from Sonar6 founder Mike Carden:

“Trade Me is a great success story. Sam went from a position of distrust of HR as a business discipline – he was a self-declared HR naysayer - through to embracing the Sonar6 model as a way to ensure that Trade Me gets the best out of its people.”

*Subsequent to Trade Me’s implementation of Sonar6, Sam Morgan has purchased a stake in the company and sits on the Sonar6 board. This is seen by commentators as a significant endorsement.*