



Talent Management in Public Services in Scotland

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“Public services need to think about the skills and talent they require across their organisations to deliver against the ambitions of the reform agenda and to improve the lives of the communities they serve ...”

Executive Summary: Key Research Findings

This research has been undertaken by the University of the West of Scotland's School of Business and Enterprise, Edinburgh Napier University Business School, and the Improvement Service to establish the current nature and status of talent management across Scotland's public services.

It is particularly relevant, given the development of the public service reform landscape since the publication of the report of the Commission on the Future Delivery of Public Services (The Christie Commission) in 2011. The introduction of the Public Bodies (Joint Working) (Scotland) Act 2014 provides a framework for integrating adult health and social care services, creating Integration Authorities with statutory responsibilities to coordinate local health and social care services, with a view to breaking down barriers to joint working between NHS boards and local authorities. This has resulted in a number of challenges around workforce planning and development, with Audit Scotland recommending in their audit of Health and Social Care Integration in December 2015 that "there is a pressing need for workforce planning to show how an integrated workforce will be developed". The Scottish Government subsequently published a National Health and Social Care Workforce Planning Discussion document in February 2017 for public consultation.

The introduction of the Community Empowerment (Scotland) Act 2015 places specific statutory duties on a number of public agencies to work together as a shared enterprise, in the form of a Community Planning Partnership (CPP), to improve local priority outcomes and tackle inequalities of outcome across communities that experience the poorest outcomes in society. The Act places a number of statutory duties on CPPs, including the development of a Local Outcomes Improvement Plan (LOIP) and locality plans and the requirement to secure the participation of community bodies in community planning. It equally places statutory duties on individual Community Planning Partners to work collaboratively with other partners in carrying out community planning, to take account of the LOIP in carrying out its own functions, to contribute such funds, staff and other resources as the CPP considers appropriate to improve local outcomes in the LOIP and to secure the participation of community bodies in community planning.

Public services across Scotland therefore need to consider talent management within the context of the current reform landscape – a context which requires an increased focus on tackling inequalities, increased integration, increased collaboration, shared leadership, effective approaches to joint resourcing and community empowerment. Public services need to think about the skills and talent they require across their organisations to deliver against the ambitions of the reform agenda and to improve the lives of the communities they serve, as well as to identify the skills gaps and how they will address these. This will require public services to focus on talent management and leadership at all levels across their organisations, not just on senior managers. Given the focus on locality planning and community empowerment, it will be vital that those working in the front-line in localities and neighbourhoods are developed, supported and empowered to work in different ways to support individuals and communities to improve their life outcomes. It will also require public services to work with and resource individuals and communities to develop and contribute their capacity and talents to achieving better outcomes.

Thus, it is no longer enough to think about talent management within the context of a single public service organisation's workforce alone. Given the increasing focus on integration, collaboration and community empowerment, public services should consider opportunities to develop more system-wide approaches to talent management, as well as consider how they will work with communities differently to maximise and develop their talent and capacity.

As well as undertaking a review of the literature on talent management, the three research partners issued an online survey to 91 HR/OD leads from across Scotland's public services to capture the nature, context and practices of existing talent management approaches. 31 HR/OD leads completed the survey, resulting in a 34% response rate. The University of the West of Scotland's School of Business and Enterprise and Edinburgh Napier University Business School also conducted 35 one-to-one interviews with a representative sample of these HR/OD leads.

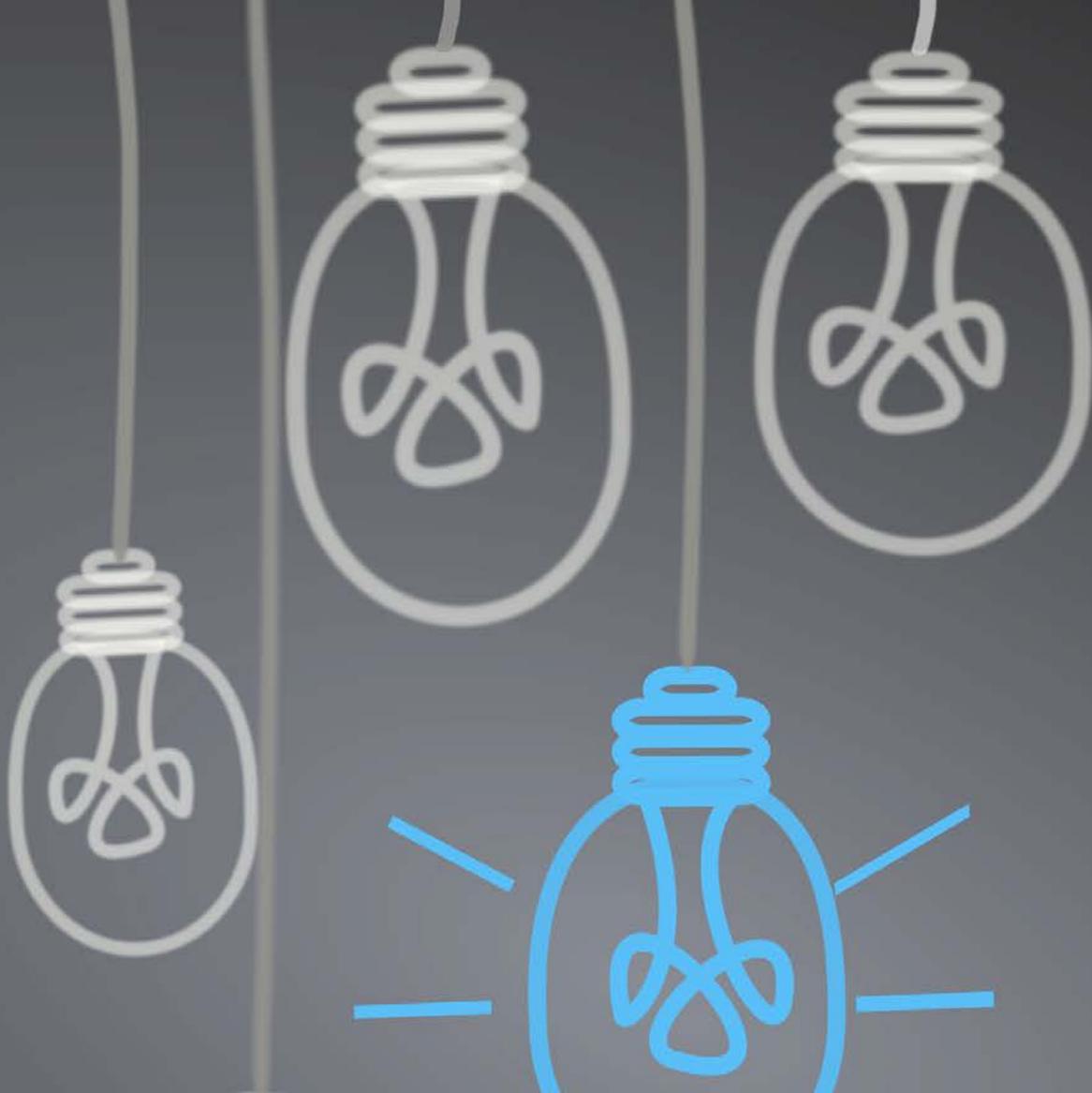
So what does talent management look like across Scotland's public services and what are the emerging issues?

- There does not appear to be a shared consensus on the definition, scope or nature of talent management across public services, which will create challenges if there is an appetite to move towards a more system-wide approach to talent management across Scotland.
- Few organisations seem to have adopted an exclusive approach to talent management, which is focused on a small number of individuals, and instead are favouring an inclusive approach, developing talent with a broad based focus on skills development to meet future organisational needs. This raises the question of whether talent management is viewed simply as a re-labelling of current learning and development provision.
- Many respondents to the survey and follow-up interviews cite the enactment of workforce development and personal development policies as their organisation's approach to talent management.
- Few organisations seem to have an end to end talent management strategy in place. Many have various elements in place which, when combined, could potentially create a more comprehensive approach to talent management.
- It would appear that talent management is more likely to be of peripheral concern to an organisation, rather than a central component within their strategic/business plan. Indeed, for some organisations talent management appears to be aspirational.
- In some of Scotland's public services, approaches to talent management are largely being driven by voluntary early retirement and redundancy, in response to the significant financial pressures organisations are facing. Health and social care integration is also surfacing challenges in relation to developing joint approaches to talent management, due to the different terms and conditions of local government and NHS employees. In particular, whilst councils are adopting voluntary early retirement schemes to respond to the financial pressures, the NHS has a no redundancy policy, which is creating tensions particularly in relation to joint workforce planning and management.
- It is not clear what makes the difference between most organisations having various elements of talent management in place, and an extremely small minority having a talent management strategy in place. Is this down to intent, the result of different levels of buy-in/ambition or different approaches to deployment?

- There appears to be some conflation of workforce planning and talent management.
- It is difficult to find examples from identification of need through to identification of people and the process of development and ultimately recruitment into skills shortage posts.
- Organisations are more likely to be ‘in part’ aware of the skills gaps/talent deficits they will face over the next five to ten years rather than fully aware.
- It is difficult to say how effectively organisations are using Modern Apprentices and Graduate trainee schemes to develop their talent pipeline, particularly in areas where there are skills shortages.
- It is not clear how the assessment of individual potential is arrived at and this would appear to be done on an ad-hoc basis.
- Many respondents cited problems with existing appraisal systems as a challenge and it is not clear if the outputs from an organisation’s appraisal system feeds into a talent management strategy or whether appraisal is undertaken to support more general workforce development.
- Many organisations say they are focusing on leadership talent, but what is less clear is what that focus is seeking to address. For example, is it because this is traditionally the focus of talent management particularly in exclusive approaches; is this because of inability to attract appropriate candidates to leadership roles; is it because there is a shortage of leadership candidates internally; is there an issue about appropriate skills?
- Whilst public service reform and the Community Empowerment (Scotland) Act 2015 are cited as drivers for talent management, no examples were given as to how these are influencing talent management approaches. For example, are organisations considering the skills they need to deliver against the reform agenda / Act and identifying skills areas that are in short supply; are they considering how they can support communities to develop their talent to fulfil the ambitions around community empowerment; are they working with communities to maximise their talent through, for example, volunteering?
- The Community Empowerment Scotland (Act) 2015 specifically states that there is a need for ‘strong shared leadership, directed towards distinctive local circumstances’. Should this now be a driver for talent management, alongside leadership for integration or community planning?
- There is no system-wide approach to talent management across Scotland’s public services and it is questionable from the research findings whether there is an appetite to even consider this, due to the complex nature of collaboration itself. At most, there are some examples of different public service organisations sharing access to learning and development provision.

Based on the analyses of literature, the survey and follow-up interviews, a number of key features of talent management have been identified and these have been encapsulated within a Checklist (Appendix 1). This Checklist sets out a series of key issues to consider when developing a talent management strategy and approach or reviewing an existing one. It has been designed as a practical tool for use by organisations to help shape their thinking and approach.

Case studies of interesting practice in talent management from across the public and private sectors have also been included in Appendix 2.



“Our research explores senior stakeholder perceptions of the drivers, barriers and enablers of talent management within a collaborative public service context.”

Introduction

Over the last two years, the University of the West of Scotland's School of Business and Enterprise, Edinburgh Napier University Business School, and the Improvement Service have been undertaking a joint research project on the nature and status of talent management across Scotland's public services.

Against a background of exponential public service reform and growing acceptance of the need for increased collaborative activity within public services, our research explores senior stakeholder perceptions of the drivers, barriers and enablers of talent management within a collaborative public service context. For the purposes of this report we are defining talent management simply as:

“The proactive identification and development of high potential individuals, at all levels of an organisation, to support them to reach their full potential and contribute to current and future outcomes of the organisation or wider public service.”

We have defined talent management in this way, to emphasise the distinction between talent management and more routine workforce development and personal development planning, which largely involves supporting current talent to perform to the best of their ability within existing roles.

Fundamentally, talent management is about how Scotland's public services ensure they have the diverse leadership and talent they need, that will give them the best chance of working with communities to support them to improve their life outcomes.

Method

The methodology comprised a literature review, online survey and one-to-one interviews. A systematic literature review on talent management approaches and practices in both public and private sectors in the UK and beyond was undertaken, with a view to identifying good practice examples that may be of interest to Scotland's public services.

Data were collected in two phases. Phase 1 comprised an online survey which was issued in October 2015 to 91 HR/OD leads from across Scotland's public service organisations. The survey generated 31 responses (yielding a 34% response rate). The purpose of the survey was to establish baseline measures of current standalone and collaborative talent management interventions across public service organisations.

Phase 2, building on phase 1, comprised a series of 35 one-to-one interviews with senior HR/OD representatives from across a range of public service organisations. Twenty-four open questions were posed to each participant manager in a semi-structured format. Each interview lasted, on average, one to one and a half hours, while a few lasted two hours. The interview data were collected between March and August 2016. Emphasis within phase 2 was placed on exploring the perceptions of managers with responsibility for talent management on the impact and lasting consequences of existing interventions, as well as the potential for enhancing the effectiveness of future practice. The purpose of the interviews was therefore to better understand the ubiquity and impact of current practices and to identify the potential for change to improve talent management to better meet future workforce and organisational demands. The overall sample is shown in Table 1.

Table 1: Sample Organisations

| | | |
|---|---|------------------------------------|
| Aberdeenshire Council | NHS Borders | Scottish Government |
| Department for International Development (DFID) | NHS Education for Scotland | Scottish Prison Service |
| Dumfries and Galloway Council | NHS Fife | Scottish Qualifications Authority |
| Dundee City Council | NHS Greater Glasgow and Clyde | Scottish Social Services Council |
| East Renfrewshire Council | NHS Grampian | Shetland Islands Council |
| City of Edinburgh Council | North Ayrshire Health and Social Care Partnership | South Lanarkshire Council |
| Falkirk Council | North Lanarkshire Council | Sport Scotland |
| Fife Council | Perth and Kinross Council | Stirling Council |
| Glasgow Caledonian University | Police Scotland | University of the West of Scotland |
| Midlothian Council | Scottish Ambulance Service | West Dunbartonshire Council |
| Moray Council | Scottish Enterprise | West Lothian Council |
| NHS Ayrshire and Arran | Scottish Fire and Rescue Service | Unknown x 6 |



“The challenge for public services will be to effectively manage the talent within and across their organisations and to strengthen the capacity and talent of local people in local communities to co-produce services.”

Policy and Research Context

Scotland's public services will continue to face significant challenges in the next five to 10 years and beyond as budgets continue to reduce and demand on major services continues to rise. Demographic change, particularly Scotland's rapidly ageing population, will drive demand across the range of local public services. The pace of technological innovation and adoption is also likely to increase in wider society and, consequently, within public services. The introduction of health and social care integration and the Community Empowerment (Scotland) Act 2015 will also require public services to better integrate and collaborate, transform how services are delivered and embrace community participation.

Reductions in public service budgets have resulted in a stronger need for public service organisations to adopt transformation strategies and alternative service delivery models. It is understood that changes to create more integrated and outcome-focused services require strong leadership and management skills as well as talent at all levels to ensure successful delivery (NHS , 2014). Devine and Powell highlighted in 2008 that public service organisations, particularly in health, central and local government, were considering talent management as a potential approach to help recruit, nurture and develop public service leaders. This was in the context of maintaining strong leadership within an ageing workforce, and competing with the private sector in order to recruit and retain high-potential young people (Devine & Powell, 2008).

This context creates new opportunities for public services to work differently with each other, and with communities. Key to the successful shift to prevention and reduction of inequalities of outcomes in Scottish society will be the contribution made both by employees at all levels across the public service workforce and individual citizens and communities. The challenge for public services will be to effectively manage the talent within and across their organisations and to strengthen the capacity and talent of local people in local communities to co-produce services.

The report of the Christie Commission (2011) focused on the scale and nature of the workforce development requirements across public services in Scotland. In particular, the Commission recommended that Scottish Government and relevant public service organisations should develop a systematic and coordinated approach to workforce development and should:

- consider how the educational and development infrastructure across the different elements of the public service could be better coordinated;
- bring together leadership and management development into a single cross public service development programme;
- develop a competency framework to apply to all public service workers which focuses on the skills required for delivering outcomes in collaboration with delivery partners and service users; and
- ensure inter-disciplinary training and development modules are included in all professional training for public service.

Similar messages were reflected in a report by the Office of the Deputy Prime Minister, encouraging local government in England and Wales to: recruit from a wide pool of talent; better manage careers of high-potential/high-performing employees; recruit more graduates;

facilitate more movement of talented staff across the public sector; and participate in joint leadership development with other public service organisations.

Some activity has taken place across public services in Scotland to better coordinate workforce development, with the introduction of Workforce Scotland, a collaborative initiative to develop and support the workforce across public services in Scotland. In the early days of Workforce Scotland, a workstream on talent management was proposed and although it was not progressed at the time, now might be an opportune moment to revisit the appetite for developing a system-wide approach to talent management in Scotland's public services, learning from work underway in New Zealand to develop such an approach across state services. New Zealand's state sector, for example, has a common set of tools in place to support better talent management through consistent good practice. These include:

- **Leadership Success Profile** - defines what effective leadership looks like across the state sector and has been translated into the capabilities and outcomes needed from leaders at all levels.
- **Talent Management Toolkit** - provides practical resources to support agencies to mature and extend a consistent approach to talent management at all levels. It helps agencies attract, identify, develop, deploy and retain talent – from early in their career through to their most senior levels. These resources have been developed by a cross-agency team of human resources and organisational development specialists. Agencies are required to fully embed the toolkit as part of their talent management practices at all levels, to ensure that leadership and talent is considered in a consistent way across the state sector.
- **Assessment and Analytics** – a common assessment and development approach for leaders, which ensures their potential and readiness to progress is measured in a consistent way. Whilst the initial focus is on assessment and development of the senior leadership cohort, over time the extension of this framework will be used to assess leaders at all levels. System-level analytics allow an accurate picture to be drawn of individual and collective leadership capability across the state sector.
- **Talent Management Information System (TMIS)** – agencies have worked together to develop a TMIS, which provides Career Boards and individual agencies with access to a large, shared database of talent from across the state sector. It enables the building, storage and utilisation of data to drive insights from analytics.

Some of these tools are available from <https://www.ssc.govt.nz/leadershipandtalent>.

The introduction of the Public Bodies (Joint Working) (Scotland) Act 2014 provided a framework for integrating adult health and social care services, creating Integration Authorities with statutory responsibilities to coordinate local health and social care services, with a view to breaking down barriers to joint working between NHS Boards and local authorities. This has resulted in a number of challenges around workforce planning and development, with Audit Scotland recommending in their audit of Health and Social Care Integration in December 2015 that “there is a pressing need for workforce planning to show how an integrated workforce will be developed”. The Scottish Government subsequently published a National Health and Social Care Workforce Planning Discussion document in February 2017 for public consultation.

The Community Empowerment (Scotland) Act 2015 also has the potential to be a game changer, providing a focus for joint working, driven by strong shared leadership, directed towards distinctive local circumstances. Under the 2015 Act, community planning now has

a clear statutory purpose focused on improving outcomes. It is explicitly about how public bodies work together and with the local community to plan for, resource and provide or secure the provision of services which improve local outcomes in a local authority area with a view to reducing inequalities. The voice of communities themselves, especially those experiencing socio-economic disadvantage are integral to successful community planning. Their needs and aspirations, and their own capacity to make change happen, should be reflected in the local priorities set out by the CPP.

Public services therefore need to think about talent management within this context. They need to identify what they need to do to make the shift towards prevention and tackle inequalities of outcome across and within communities and the skills and abilities they have that will enable them to do this, as well as identifying the skills gaps and how they will address these.

Given the focus on locality planning and management, it will be vital that those working in the front-line in localities and neighbourhoods are developed, supported and empowered to work in different ways to support individuals and communities to improve their life outcomes. It will also require public services to work in different ways with, and to support and resource individuals and communities to develop and contribute their talent to achieve improved outcomes. For example, how can public services support local communities to co-produce services; to volunteer and deliver services traditionally delivered by public services which are now being cut (e.g. libraries); to take ownership of and run assets that will be used in ways which support improved outcomes?

This concurs with research findings from work undertaken by the University of Birmingham and Birmingham City Council on 'The 21st Century Public Servant', (Needham and Mangan, 2014) which concluded that public servants need to be trained and supported into a broader range of roles than they currently have to enable them to deliver effectively against the reform agenda. In particular, the research highlighted the need to develop and support employees to engage with citizens in a way that feels human and supports people's assets rather than highlights their deficiencies, as well as the need to support public servants to display feelings of identity and loyalty to a place so they feel like citizens of a place and not just officers in an organisation.

The challenging agenda will also require public services to consider how they recognise and reward talent and, in particular, the incentives they can offer in this area, given the financial constraints in which they are operating. For example, should an element of pay be dependent on evidence of the delivery of results? Deloitte recommends that as new public service reform programmes are developed they are considered in light of talent management, to include how changes can support people working in the sector. It argues that making optimum use of recruitment, reward and recognition procedures can help attract and retain talented employees (Deloitte, 2014). Furthermore, an increasingly ageing population, a move to more global and agile workforces, multi-generational organisations and more diversity, all impact on the supply of labour and talent, requiring new approaches to recruitment, retention and employee engagement (NHS, 2014; Tarique and Schuler, 2010 in Vaiman *et al.*, 2012). For this reason, maximising the potential of new generations is particularly important (NHS, 2014).

Given the statutory duties on public bodies to demonstrate strong shared leadership as they work together to improve outcomes, there is arguably a case for public services to work together to develop outcome focused leadership. Currently, most leadership development taking place across public services is sector-specific (and in some sectors organisation specific), and disconnected, which may result in a siloed rather than a holistic focus on

outcomes. Public services in New Zealand have developed a common assessment and development approach (Leadership Insight) to ensure the capabilities of all leaders are measured against the same standards across the state services (Leadership Insight Findings, 2016).

Developing a common leadership development approach concurs with findings from the 21st Century Public Servant research, which concludes that public service employees will increasingly build a career which is fluid across sectors and services – ‘it is a zigzag career path rather than the traditional linear one where people moved up the hierarchy’ (Needham and Mangan, 2014). Furthermore, the research recognised that ‘in a complex delivery context public servants need to have a better understanding of the cultures and motivations of other agencies who have roles in achieving outcomes for citizens’. The research also concluded that the 21st Century Public Servant rejects heroic leadership in favour of distributed and collaborative models of leading’. The researchers challenged public services to take action which could help create better mobility across sectors, which could include developing a common assessment and development approach.

In summary, it is no longer enough to think about talent management within the context of a single public service organisation’s workforce alone. Given the increasing focus on integration, collaboration and community empowerment, public services should consider opportunities to develop more system-wide approaches to talent management, as well as consider how they will work with communities differently to maximize and develop their talent and capacity.



POTENTIAL!

“Talent management was most commonly defined as internal succession management and workforce planning, involving the identification of skilled employees and managing their development in order to retain and develop skills for the future.”

Research Findings

The survey and one-to-one interviews focused on four key areas, each of which will be considered in turn:

- I. The nature of talent management
- II. Contextual factors in talent management
- III. Talent management practices
- IV. Collaborative talent management

Case studies of interesting practice in talent management from across the public and private sectors, which emerged from our data collection and desk research, have been included in Appendix 2.

I. Nature of Talent Management

Defining Talent Management

Key Survey Findings

- Talent management was most commonly defined as internal succession management and workforce planning, involving the identification of skilled employees and managing their development in order to retain and develop skills for the future.
- 29% (9) of respondents noted that their organisation does not have a formal approach to talent management in place. A further 29% (9) noted that their organisations have adopted a formal approach to talent management, with 35% (11) stating that their organisations have adopted a formal approach in part. Some of these respondents went further to explain that although they do not have a formal strategy, informal processes do take place.
- 39% of respondents (12) agreed that talent management is a central component within their organisation's strategic/business plan and a further 55% (17) stated that it is a peripheral concern.
- The majority of respondents ranked succession planning and developing leadership as the key purpose of their organisation's approach to talent management, followed by ensuring that the organisation has the capacity to support the delivery of improved outcomes. One respondent ranked developing internal expertise highest, while another felt that the main purpose of talent management within their organisation is to develop technical expertise. Two respondents ranked working differently/smarter as their second most important purpose while reducing workforce inequalities was ranked third by three respondents. Another individual noted that the key purpose of talent management within their organisation is to overcome the difficulty in filling particular posts.



Similar to the survey findings, and mirroring the theoretical ambiguity in scoping and defining talent management (Collings and Mellahi, 2009; Gallardo-Gallardo *et al.*, 2013; Tansley, 2011) all interviewees offered personal definitions of talent and talent management, however most conceded that their definitions are not universally shared or accepted across their organisation. Indeed, the majority of participants signalled that the terms are extraneous and not widely utilised in their organisation at all due to the potentially adverse connotations of inadvertently assuming that some people are, by default, less or untalented (Garrow and Hirsh, 2008).

It was suggested by one interviewee that *“the term [talent management] is used and abused in different contexts and means different things to different people”*. Importantly, against the public service backdrop of this report, participants typically remarked that talent and talent management are contentious terms in public sector lexicon, within *“an environment where partnership is very strong ... where we want to develop people at all levels of contribution in the workplace”*, and *“where we try to avoid workforce polarisation”*.

The most commonly ascribed definitions by interviewees were those broadly attributable to the Chartered Institute of Personnel and Development (CIPD): that talent concerns individuals who can make a difference to organisational performance either through their immediate contribution or, in the longer-term, by demonstrating the highest levels of potential. Talent management in turn was reported to concern the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organisation, either in view of their high potential for the future or because they are fulfilling critical roles (CIPD, 2016).

Definitions thus tended to be extremely broad, and thereby problematic (Gallardo-Gallardo *et al.*, 2013), reinforcing the conceptual difficulty in, firstly, universally agreeing the collective need for and nature of talent management for collaborative purposes and, secondly, establishing collaborative approaches to and work practices for talent identification, development and management across multiple organisations. The definitional ambiguity was compounded by interviewees often incorporating terms that they used synonymously with talent management, including: learning and development; workforce development; workforce planning; succession planning; and succession management (Garrow and Hirsh, 2008).

Interviewees were therefore asked to consider perceptual difference between straightforward learning and development provisions and actual talent management practices. The wide range of responses further dilutes one’s ability to provide a clear and collective definition of terms within a public service context. Some interviewees indicated that talent management is no more than a modern label for learning and development, while others opined that talent management in their organisation is wholly concerned with the identification of future senior leaders (succession planning). For instance, one interviewee alluded to a *“need to identify the skills we need for the future...and the people in the organisation who have the interest and aptitude to develop into the skilled leaders we need”*.

Concern was expressed by several interviewees that the requisite skills and experience for senior level roles are not widely available outwith their organisation, reinforcing the strategic imperative for talent identification and development to take place within (Lubitzsh *et al.*, 2007). For example, during one interview it was highlighted that *“we’ve sometimes promoted people who have the technical skills and I’ve not been 100% sold on them, but we can’t get the skills outside”*.

Inclusive v Exclusive Approaches

One of the principal variances in talent management definitions and procedures is whether an inclusive or exclusive interpretation and approach is adopted. Inclusive approaches adopt strategies to maximise the potential of the entire workforce (NHS, 2014), while exclusive approaches tend to focus strategies on employees with high potential or who are high performing.

Key Survey Findings

- 61% (19) of organisations have a combination of an inclusive and exclusive approach to talent management; 23% (7) have an exclusive approach; and 16% (5) have an inclusive approach.
- The majority of those respondents whose organisation adopts a combination of an inclusive and exclusive approach to talent management, noted that this is due to the need to strike the balance between targeting for specific requirements and succession planning gaps, and continuing staff development for the whole workforce.
- Two of the seven respondents whose organisations adopted an exclusive approach, noted that this was due to limited resources and alignment with strategic objectives.
- The type of employee targeted by organisations that have an exclusive approach or a combination of inclusive/exclusive approaches to talent management in place is as follows:



| | |
|---|-----|
| Middle management | 79% |
| Senior management | 71% |
| Supervisory management | 54% |
| Executive management | 46% |
| Specialist skills (e.g. digital, finance, procurement, educational/clinical leadership) | 29% |

Interviewees were asked to consider the scope of talent management within their organisation and, in particular, inclusive and exclusive approaches (Swales *et al.*, 2014), or “holistic” versus “elitist” approaches, in the view of one participant. Inclusive approaches which assume that ‘everyone has talent’ are most evident in public sector organisations (Reilly, 2008) and this generally reflects the current status across participating organisations. For instance, “*it’s about believing in our people and giving everyone the chance to shine*”, according to one participant; and “*in the public sector we’re not about tapping someone on the shoulder and saying ‘you’ve got talent’*”, according to another.

However, reflecting the survey findings, in bridging the gap between inclusive and exclusive approaches, several organisations have adopted various forms of hybrid approaches in their attempt to proactively target particular talent pools, while simultaneously ensuring that development opportunities are available to the whole workforce. Participants connected this deliberate choice of strategy to maintaining adequate levels of employee engagement within an organisational culture which may reject exclusive forms of talent management. Examples of

hybrid approaches most commonly incorporate targeted leadership development and/or fast-track programmes alongside a traditional suite of development offerings.

II. Contextual Factors in Talent Management

Having reflected on the conceptual nature of talent management, survey respondents and interviewees were asked to consider the contextual factors which influence and impact their organisation's strategic choices in relation to talent interventions.

Skills Gaps

Key Survey Findings

- 61% of respondents (19) stated that their organisations were “in part” aware of the skills gaps/talent deficits that they may face over the next five to ten years whilst 23% (9) felt their organisation had a high level of awareness of the skills gaps/talent deficits.
- Skills shortages are most commonly identified by:
 - Workforce and age profiling in order to identify where gaps are likely to arise due to retirement;
 - Capability planning and service structure reviews to recognise priorities and future visions of the workforce;
 - Employee appraisals and Personal Development Reviews to identify personal ambitions for the future, and
 - Comparing existing skills base with future requirements and changes e.g. digital expertise, potential shortages in teachers, etc.
- Skills and professions identified as being in short supply included leadership and managerial roles, improvement and change management expertise, digital skills, social care workers, teachers and planners.
- Skills shortages are most commonly being addressed through leadership and management development programmes and addressing professional development more broadly. Two respondents commented on specific youth employment strategies their organisation has adopted, including Modern Apprentices. Two respondents noted their organisation had plans for further targeted recruitment, whilst another referred to providing additional incentives, for example offering housing to attract teachers.



When interviewees were asked about skills gaps facing their organisation over the next five years and beyond, some spoke from an operational perspective about gaps in digital literacy and project management skills in particular. Others cited gaps, or “mismatches”, in leadership competencies within the context of a rapidly changing public service environment (see Devine and Powell, 2008). For example, one participant voiced: “*we have a real focus on leadership but I wonder sometimes if people actually understand what they’re talking about when defining leadership for the future*”. Another added: “*it’s about leadership, not management; we need to get people to connect with other parts of the system, not to look down, but to look across in order to make service improvements*”. Several participants spoke of a need

for greater creativity and innovation, particularly in the current context of economic austerity and recovery. Two participants spoke of the imperative for strategic leaders to be able to craft and inspire a vision within a continuously changing and highly ambiguous public service landscape (Cook, 2015).

Drivers for Talent Management

Key Survey Findings

- The majority (52%) of respondents ranked ‘people strategy’ as the most important influence on their organisation’s approach to talent management. Skills shortages were also ranked relatively highly, as were demographic changes in the workforce, and the delivery of the public service reform agenda. Two respondents ranked increased job mobility as the most important influence while two ranked increased collaborative working as the second most important influencer.



Interviewees were asked to discuss the drivers behind their organisation’s approach to talent management with most highlighting the need to develop a more resilient and ambidextrous workforce capable of better responding to change and customer needs (Vaiman *et al.*, 2012). In particular, the desire to “*stop pigeon holing people*” and challenge the “*silo mentality*” which prevails in many public service organisations were cited as key internal drivers by these interviewees. Linked to this, the need to identify and empower individuals who can work autonomously and collaboratively was regarded by another interviewee as being an important driver. Referring again to the perceived unavailability of requisite skills in the external labour market, several participants also spoke animatedly about “*the need to develop talent pipelines*” through “*proper workforce and succession planning*” in order to prepare for and fill key leadership roles. In the words of one interviewee: “*for managers the ultimate driver should be knowing that their service is well provided for should someone leave tomorrow*”.

Scottish Government directives in response to the outcomes – and four pillars – reflected through the Christie Commission (Scottish Government, 2011) were cited by most interviewees as being key external drivers, although it is noteworthy that the depth of interviewees’ knowledge of these macro-level outcomes varied considerably. Inferences were also made by interviewees to the potential to reduce workforce inequalities through positive action and talent management interventions (Harris and Foster, 2010). However, these interviewees expressed caution that workforce profiles and associated diversity challenges often vary across public service organisations, for instance, the challenges faced by the NHS may be quite different from those experienced within uniformed services.

Underlining the strength of inclination towards inclusive approaches, cultural barriers and distrust were noted by interviewees as being potential inhibitors to utilising talent management interventions to address workforce inequalities. As one interviewee explained: “*established staff often become suspicious of the agenda and resentful of perceived unfairness...some of the trade unions may also see talent-spotting as favouritism, however wide a pool it comes from*”. Another echoed this sentiment, suggesting that “*there’s a fair bit of nepotism, and that turns people off as they think there’s no point in putting themselves forward*”. Thus the question of whether or not their organisation’s approach to talent management is fair and equitable to all employees provoked a mixed response. As noted in one interview: “*I’ve had senior directors tell me that talent development is not equitable*”.

because someone will get a place and someone else won't. My response: when you recruit for a post you may have four or five candidates but can only pick one – is that unfair? – it's the same principle".

Perhaps due to the strong public service focus on inclusivity, most interviewees reported their talent management practices as being fair and equitable, for example, commenting that *"everything we do is open to everyone"*. Inconsistencies were nonetheless unearthed across larger organisations, particularly when talent identification and development decisions are reliant upon line managers (Minbaeva and Collings, 2013). As one participant reflected: *"it's one thing having a template, it's another having the managers who have the skills and recognise this [talent identification and development] as part of their role; I think this can be a bit patchy"*. Indeed, the perceived role of Human Resource specialists in owning and managing talent processes was discussed in this context by two participants, with one suggesting: *"I think talent management is often seen by managers as an HR thing and this is a problem"*.

Barriers to Talent Management

Key Survey Findings

- The most significant barrier to talent management was identified as lack of resources, followed by lack of a shared understanding of organisational talent management requirements. The lack of alignment between corporate/service/business strategy and people strategy was also ranked relatively highly, as was reward and recognition. Four respondents felt that terms and conditions of employment was the biggest barrier while one respondent felt it was the lack of commitment to people development. Lack of skills/talent was also ranked third by three respondents.
- Other barriers listed by respondents include: geographic location (making training difficult to source/support and resource), requirement for open recruitment, no compulsory redundancies policy (lack of ability to cut particular posts to create space for required talent), workforce demographics (ageing workforce with few employees keen to develop and willing to change), and competing priorities.



The most commonly reported barriers to talent management at organisational level by interviewees tended to be cultural rather than process. These were often connected by interviewees to the day-to-day pressures associated with public service reform, which one interviewee described as *"the constant need to achieve more with less resource"*. For instance, one interviewee spoke of *"an element of crises management being rewarded"*, while another suggested that *"one of the challenges is finding time to 'stop the bus' and put all the pieces [talent strategy] in place, because the day job's so reactionary"*. These interviewees have observed the need to establish the extent to which talent management is deemed as being a strategic priority both within individual organisations and collectively across the public services.

This observation returns us to the extraneous definitions of talent management proffered earlier, with one interviewee stating: *"there's the whole perception of what this [talent management] is really about and how it adds value...this is the key barrier to collaboration"*. The consequent impact of the current lack of universal agreement as to the nature of and

value add to be derived from collaborative talent interventions was perceived by most interviewees to manifest as lack of strategic commitment, organisational buy-in, and financial and resource allocation to collaborative talent management. As one interviewee surmised: “*the current lack of clarity prevents an objective measure of performance*”, thereby potentially diluting the business case for investment in collaborative interventions.

III. Talent Management Practices

Talent Identification

Key Survey Findings

- The systems/processes in place in organisations to identify talented individuals are as follows:

| | |
|-------------------------------|-----|
| Appraisal processes | 86% |
| Personal development planning | 72% |
| Succession planning | 48% |
| Psychometric testing | 48% |
| Assessment centres | 31% |



- One respondent mentioned that their organisation uses a ‘nine-box grid’, a matrix tool commonly used to appraise the talent pool of an organisation by comparing the performance and potential of individuals.
- The majority of respondents (52%) agreed that the talent identification practices in place in their organisation complemented their organisation’s approach to managing performance (31% did not agree and 17% did not know).
- The majority of respondents (69%) noted that their approach to talent management does not complement their organisation’s approach to managing reward.

One of the key components of many talent management strategies is the ability to identify required talent and potential. Clutterbuck and Haddock-Millar (2014) argue that talent management systems too often assume that talent can be identified relatively easily and accurately, but that in reality performance and talent differ between contexts. Whether an individual is stimulated to perform, for example, can influence their perceived performance and potential, with complex roles more likely to motivate employees (Collings and Mellahi, 2009). Furthermore, detection of talent can be problematic and inconsistent due to personal judgements (Sorcher and Brant 2002 in Clutterbuck and Haddock-Millar, 2014). Identifying potential, for example, is prone to bias through detecting traits already shown in the organisation’s leadership team (Warren 2009 in Clutterbuck and Haddock-Millar, 2014).

Gladwell (2008 in Clutterbuck and Haddock-Millar, 2014) warns that those identified as ‘exceptional’ talent have usually been in the right place at the right time and had the opportunity to gain experience. There may be others, however, with equal potential who have not had the same opportunities.

Interviewees noted that talent identification practices within their organisations are often informal (word of mouth), with one interviewee commenting that “*sometimes it’s just about*

noticing people and getting them involved”, and *“if you’re on the radar your talent might be developed, but there’s no process for looking for undiscovered talent”* highlighted by another. Reflecting the survey findings, most interviewees reported that talent identification and management practices are closely linked to performance management (appraisal) systems.

Unlike the survey findings where only one respondent mentioned the ‘nine-box grid’, interviewees noted that interpretations of the ‘nine-box grid’ are either being utilised or are of interest to a number of organisations, particularly those which do not currently have the mechanism to identify high potential employees. Interestingly, a number of interviewees mentioned that their performance management system is not fit for purpose, for example, being outdated or paper-based and thereby unable to be tracked electronically. Concern was also raised over inconsistent performance management practices across the larger organisations in particular. Thus reliance on line manager skill and commitment was again voiced by several interviewees; one emphasising: *“I have a reservation that we’re not good at telling people when they’re under-performing, so appraisal may not track people’s true abilities – or lack of”*.

The CIPD’s (2016) broad definition of talent management, noted earlier, which broadly resonated with the majority of participants assumes a systems approach to talent management in which all parts of the HR system (employment journey) are connected. However, when discussing the extent to which talent management practices are strategically aligned with other aspects of the HR system, for example, recruitment, performance and reward practices, responses again varied. For some, loose linkages were made through the organisation’s HR Strategy, and for others linkages were exposed as being a *“bit flimsy”*. One interviewee explained that *“performance and reward management practices are tied together [direct link between performance and pay] but we know this is driving entirely the wrong results. It doesn’t address under-performance or allow for high performers ... it’s about getting over a line, there’s no incentive for high performance”*. Another commented: *“there’s definitely no link”*.

Acknowledging current weaknesses in the HR system, interviewees spoke of current projects or aspirations to revise competency frameworks and/or introduce values-based recruitment practices, with one interviewee suggesting that *“this is a bit of a journey we’re on”*. It was broadly recognised that while extrinsic (pay-related) reward practices are largely constrained by public sector pay policy, more innovative or closer linkages between talent and intrinsic reward practices may result in *“reinforcing how we want people to behave and focus their time...things that are currently on the ‘nice to do’ rather than ‘must do’ list”*.

Talent Development

Organisations develop talent using various methods including: general development activities; personal development planning; coaching; mentoring; career planning; stretching projects; action learning sets; job shadowing; development centres, and job rotation (Clutterbuck & Haddock-Millar, 2014). A Learning and Development survey conducted by the CIPD asked participants to rank the most effective practices in staff development: on-the-job training, in-house development programmes and coaching by line managers have continuously ranked as most popular (CIPD, 2016).

Although some strategies, such as those listed by Swailes *et al.* (2014), see talent development as focusing on the needs of individual staff members, for others it is about meeting future requirements and filling key positions (Becker & Huselid, 2006; Sparrow, 2007 in Collings & Mellahi, 2009). This often requires identification and comparison between

Key Survey Findings



- Respondents identified the following as being in place in their organisations to develop and nurture talent:

| | |
|---|-----|
| Appraisal processes | 86% |
| Leadership development | 86% |
| Coaching/mentoring | 76% |
| Secondments | 69% |
| Formal feedback, e.g. 360-degree feedback | 66% |
| Internal/external collaborative projects | 62% |
| Technical/operational development | 59% |
| Job shadowing/job rotation | 38% |
| Sabbaticals | 14% |

existing knowledge, skills and capabilities, and future requirements, and then developing or recruiting skills to meet these targets (Zurich in Collings & Mellahi, 2009).

This is not always the case: a study by Stahl *et al.* (2007) highlighted that high performing organisations tended to focus on the talent pool first, in other words recruit the right people and then find positions for them. This strategy however risks employees being in positions that do not maximise their skills, which in turn can undermine talent development, potential and performance (Collings & Mellahi, 2009).

When asked about current talent development practices, interview responses varied depending on the extent to which organisations advocate an inclusive or hybrid approach to talent development. From an inclusive perspective, the range of development offerings often appeared as being fairly ad hoc and unstructured, for example, it was suggested in one interview that *“just immersing people in learning helps them to feel more confident and empowered, and less risk averse”*. Numerous training programmes and qualifications, coaching, mentoring and job shadowing offerings, and opportunities to get involved in developmental project work were cited by the majority of interviewees. Most organisations also offer online learning platforms which provide *“learning libraries”* and self-development opportunities, of which an interviewee commented: *“people can access materials until their heart’s content”*. Another reflected that *“we don’t do anything that says ‘oh, you’re talented come on this programme’, but we offer a wide range of courses”*. Indeed, according to a third interviewee: *“I quite like the idea of just throwing ideas out to staff and asking if they want to get involved...I’m not sure at the moment what a formalised framework would look like”*.

Conversely, within the few organisations that have adopted more targeted or structured approaches to talent development, practices include role-specific leadership development and fast-track programmes, vocational apprenticeships and graduate schemes, secondments, and senior leadership development opportunities. In such cases budget and resource allocation is more targeted at particular talent pools and access is restricted to people already employed within key roles or who have been identified as demonstrating high potential (CIPD, 2016). In the words of one interviewee: *“people ask about funding, but it shouldn’t be just about qualifications. It’s about who has the spark, who has shown drive and initiative; you can’t teach that”*.

Evaluating Talent

Key Survey Findings

- Respondents noted that their organisations monitor and review the development of talent as part of their talent management approach as follows:

| | |
|---|----------|
| Appraisal | 69% (20) |
| Performance review | 66% (19) |
| Personal development planning | 62% (18) |
| Workforce surveys | 41% (12) |
| Management/strategic reporting | 38% (11) |
| Organisational performance management tools | 21% (6) |
| Psychometric testing | 21% (6) |
| External consultants | 14% (4) |
| Assessment centres | 10% (3) |



- Common mechanisms in place for measuring the impact of an organisation's talent management approach include: evaluating the number/percentage of vacancies (particularly key posts) successfully filled by internal appointment; measuring staff turnover and the retention of staff (particularly those with high potential), and tracking career progression within organisations. Other examples include the degree of successful recruitment for "at risk" succession planning posts, evaluation of talent programmes, the ability to deliver on strategic workforce development priorities, improving performance in general, assessment as to whether they are still struggling to fill posts, effective integrated leadership, and the use of staff surveys.

Effective talent management procedures require good evaluation of both talent and the success of the talent management process itself. Without this there is a danger of mismatching between supply and demand (Collings & Mellahi, 2009). The importance of knowing what to measure, how to measure it, and how to then use the data should not be overlooked (Kinley and Ben-Hur in Clutterbuck & Haddock-Millar, 2014).

The majority of interviewees signalled talent tracking and evaluation as significant areas of weakness within their current systems (Lewis and Heckman, 2006), often conceding that "*it's more by luck than design*". Some of the targeted programmes incorporate senior sponsor or mentorship relationships which interviewees view as a valuable qualitative mechanism to track performance and progress. However, as one interviewee has observed: the subjectivity in performance management systems means that "*we can make decisions about whether people have achieved objectives, but there are no numerical scales or quantifiable data that differentiate people*". For others, people are "*logged*" when they commence a talent programme and their career development can then be monitored over time through workforce planning activity. The prevailing view in most organisations is that current talent management programmes and their concomitant tracking and evaluation mechanisms need longer to embed before longitudinal and quantifiable impact data can be obtained.

Interviewees were also asked to consider the extent to which they believe that talent

management practices meet with employees' expectations. Some interviewees indicated that their employees enjoy unrestricted access to flexible development opportunities, and this is evidenced in some cases through their Investors in People accreditation. Others were of the view that employees are likely to perceive talent management practices as being unfair or inadequate. For example, "*evidence from our latest staff survey suggests that employees want more career development opportunities*"; and "*I think employees will always say that we don't do enough*", were statements conveyed by two interviewees.

IV. Collaborative Talent Management

When asked about the macro-level drivers behind the impetus for increasing collaborative talent management interventions, interviewees again alluded to the outcomes from the Christie Commission (2011) and subsequent Scottish Government directives (Scottish Government, 2011). While, as noted earlier, interviewees' depth of understanding of these drivers varied, economic conditions and the need to increase efficiency, grow mobility across and between services, and associated resource issues were often cited as being the main driving forces. As surmised by one participant: "*it's all about delivering leaner and more effective services to customers*". There has been an appetite for public service collaboration in learning and workforce development for a number of years, and this is evidenced by some current examples of good practice, for example, a number of current collaborative organisational development and learning interventions are facilitated via Workforce Scotland, which is a collaborative initiative to develop and support Scotland's public service workforce (www.workforcescotland.com).

However, the public service landscape is inherently complex (Cook, 2015) and past initiatives in talent management have been met with mixed results. It is noteworthy that caution was expressed in some interviews that "*there have been [talent management] discussions and initiatives in the past which haven't gone anywhere, so there's less appetite now*". One interviewee conceded that "*public services have been quite insular in the past, quite comfortable, and the incentive hasn't always been there to be creative or to innovate*".

Alongside the previously exposed ambiguities covering the nature and scope of talent management for collaborative purposes, extensive discussions took place during interviews about the nature of 'collaboration' itself within a public service context. These discussions surfaced a number of frustrations among participants. "*Politics*" in the form of "*dominance and control*" by larger organisations, leading to "*unclear authorising environments*" were frequently cited as inhibitors of innovation and collaboration. Participants also expressed differing views on the 'focus and fit' (Garrow and Hirsh, 2008, p.389), of collaboration. For example, organisations offering out places on their current development provisions, whilst helpful, is perceived by some participants to restrict the potential for true co-creation of collaborative initiatives. It was contended during one interview that "*people are inherently competitive; we don't get many people asking 'how you do that'; it's more 'this is how we do it'*" (see Entwistle and Martin, 2005).

Underlining these complexities, one participant commented: "*I would be wary of collaborating... but I think there's an opportunity for sharing learning, understanding what other organisations are doing and sharing good practice*". Therefore, while there appears to be an appetite for, and indeed examples of good practice of shared access to learning and development across some services, there does not appear to be a parallel appetite for true collaborative talent management. Acknowledging the complexities of public service collaboration, one participant explained that "*if people understand the drivers for the organisations that they're collaborating with, rather than just their own organisation's needs,*

Key Survey Findings



- The majority of survey respondents (24: 83%) agreed that there is scope to develop improved collaborative approaches to talent management in Scotland's public services – four were unsure and one disagreed. The majority explained this in relation to the ability to share resource, skills and expertise across the public sector rather than in relation to developing a system-wide approach to talent management for Scotland's public services.
- The key drivers to developing a collaborative approach to talent management in Scotland's public services are:

| | |
|--|----------|
| Developing leadership capacity | 81% (22) |
| Developing the skills necessary to deliver the reform agenda | 70% (19) |
| Identifying future high potential | 67% (18) |
| Developing transferable skills | 56% (15) |
| Developing shared roles across public services | 48% (13) |
| Developing talent networks | 48% (13) |
| Developing professional expertise | 33% (9) |
| Developing technical expertise | 22% (6) |

- Suggestions as to what needs to be done to develop a system-wide approach to talent management across Scotland's public services included:
 - All public service organisations committing to and developing a public service talent management framework;
 - Reaching consensus on a common definition of talent management and how it would be applied in Scotland's public services;
 - Each public service organisation in Scotland identifying a 'talent management champion' to work together to develop a system-wide approach to talent management;
 - Ensuring good practice and learning on talent management is shared across the sector;
 - Actively promoting secondment opportunities across public service organisations;
 - Prioritising talent management and developing/commissioning an existing coordinating body to develop a system-wide approach to talent management for Scotland's public services.

then collaborations are more likely to be successful...it's about the common needs, the core purpose; if you can reach that then collaboration will come with it".

It was noted that some of the smaller public service organisations do not easily lend themselves to collaboration as their needs are often quite different from, even competing with, larger services. This raises the further questions for public service organisations of whom to collaborate with and for what purpose in relation to talent management? Indeed, there was

consensus among interviewees that there needs to be clear(er) outcomes for collaboration, for instance, one interviewee stated: *“I need to better understand the end product...collaboration for collaboration sake are empty words”*. Considering mutually beneficial outcomes, an NHS interviewee explained that *“it would be great to have a pool of key critical skills that could be used across Health Board areas. We could learn from each other in terms of culture and practices...and we would ultimately have leaders who have at least a working knowledge of what goes on in other areas of the organisation”*. However, it was conceded by this interviewee that *“at the moment we have people who don’t transfer skills from one directorate to another, never mind across the organisation or beyond...we have a long way to go”*.

It was recognised by one interviewee that although *“there’s good collaboration when the chips are down, it can also be quite competitive”*. This interviewee went on to explain that, in her experience, *“the behaviours are harder than the concept [of collaboration]”,* in that *“being able to sit down and have a discussion where different viewpoints are discussed and consensus reached without people becoming competitive is more difficult than the theoretical concept of collaboration”*. Another interviewee reflected that *“what you find across local government and other organisations like the NHS is different cultures and language, and that in itself can be a barrier”*. When discussing a current co-terminus collaboration, one participant explained that *“to collaborate more we’ve really had to begin to understand the differences between our services and skill sets. We’re having to talk to and understand each other at a depth we’ve never had to before”*. In response to these proffered challenges another interviewee offered: *“Think about Health and Social Care Partnerships. At the moment people train in a particular area, as a social worker, nurse, or other related role; but they’re in different silos. You have to wonder if there’s better approach, a more merged public sector element or module within qualifications that creates some common language and understanding from the outset...new roles matched with new types of flexible qualifications”*.

While those interviewees who are involved in Health and Social Care Partnerships spoke about *“moving to locally organised services where we need managers who can work as part of a multidisciplinary team”*, others viewed the need for homogeneous leadership competencies more sceptically. For example, *“I’m not sure that any organisation looks for a generic leader...what this organisation values in talent might be different to next door”*. Mirroring this view, another interviewee added: *“it’s difficult to have generic role profiles across a large organisation, so it isn’t practical... there’s disconnect between the corporate view and the view of those who deliver operationally. The aspiration is there but it would be difficult to make it work in practice”*.

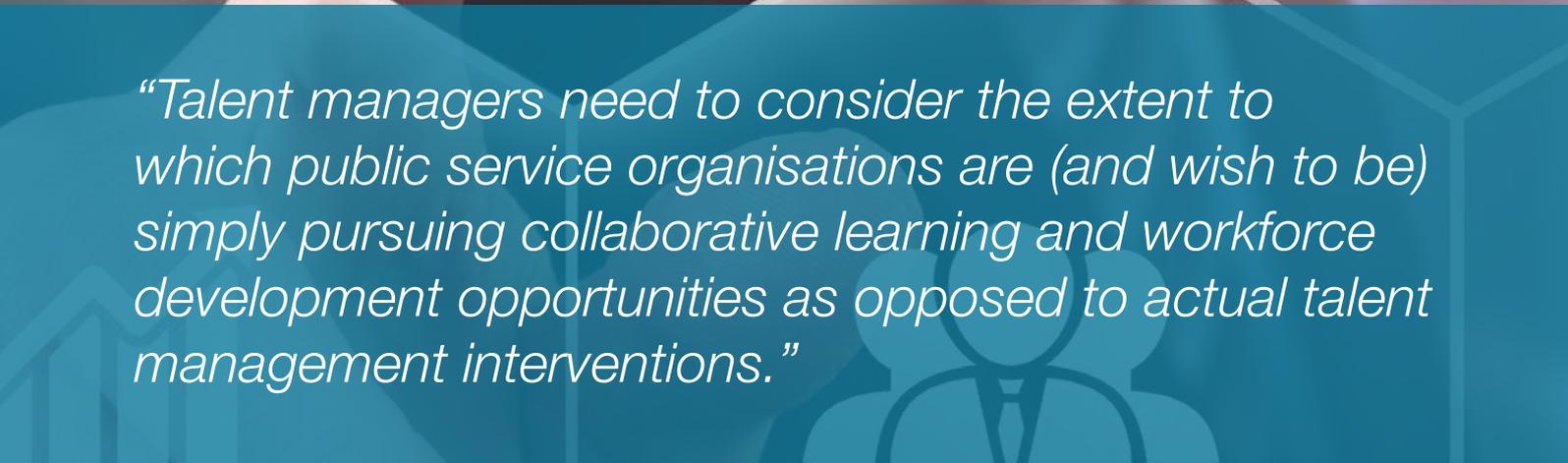
Fuelled by the complex conceptual nature of collaborative talent management, responsibility for and ownership of collaborative talent management activities, and time and space to sustain the collaborations were once again proffered by the majority of interviewees as key barriers to increasing interventions. As one interviewee voiced: *“I know what I want to do but I hardly have time in the day job to draw breath, so how can I get involved without letting the day job slip”*; with another adding that *“people are trying to get their own backyard sorted first”*. In surmising the current collaborative landscape, it was concluded by one participant that *“it’s just a case of boiling it down into something that’s big enough to matter but small enough to get done”*.

Notwithstanding the complexities exposed through this research, collectively there appears to be a tentative appetite across public service organisations to engage in ‘forms’ of collaborative talent management, albeit this would appear to be at the margins rather than along the lines of work underway in New Zealand to implement a system-wide approach to talent management across all state services.

People

A person in a dark suit and tie is pointing their right index finger towards a screen. On the screen, a white globe icon is visible. The background is a blurred office setting with a hexagonal grid overlay.

“Talent managers need to consider the extent to which public service organisations are (and wish to be) simply pursuing collaborative learning and workforce development opportunities as opposed to actual talent management interventions.”

A teal graphic overlay featuring a bar chart on the left and three stylized person icons in the center. The person icons are arranged in a row, with the middle one slightly larger and more prominent.

Concluding Points

Against a backdrop of exponential public service reform and growing acceptance of the need for increased collaborative activity within public services, our research examined the extent of talent management practices across public service organisations in Scotland through evaluating the scope for improved collaborative talent management interventions to better meet future workforce and organisational demands. Some overall conclusions are drawn below.

- ‘Talent’ and ‘talent management’ are perceived by some research participants as being contentious terms in public sector lexicon. The lack of a universally agreed definition(s) and subsequent scope of talent management presents a substantial – perhaps the most substantial – barrier to progressing collaborative interventions. The overwhelming inclination towards inclusive approaches where “everyone has talent” within an environment where “we try to avoid workforce polarisation”, according to two participants, exposes the conceptual ambiguity when defining the collective need for and value add to be derived from collaborative talent management. This conceptual ambiguity is compounded by terms which many participants used synonymously with talent management, for example, learning and development, workforce development, succession planning, and succession management.
- Skills shortages in the external labour market were cited as being a key driver, even strategic imperative, for investing in internal talent identification and development practices, and may have influenced a small number of organisations to adopt hybrid (combination of inclusive and exclusive) approaches to talent management. Nevertheless, the current high level of ambiguity in defining the collective nature, scope and outcomes of talent management constitutes a substantial barrier to progressing collaborative interventions. To inform a workable definition and scope for talent management for collaborative outcomes, organisations need to clarify their individual and collective needs for talent management in terms of the outcomes and value add to be derived for each collaborating organisation. In particular, talent managers need to consider the extent to which public service organisations are (and wish to be) simply pursuing collaborative learning and workforce development opportunities as opposed to actual talent management interventions.
- Developing future public service leaders was considered a key priority for collaborative talent management. However, caution was expressed concerning the potential lack of universal agreement as to what the future public service workforce and leadership requirement actually comprises. For example, participants contested the extent to which leadership competencies are unique to particular organisations or homogeneous and transferable across public service organisations. Leaders being required to “*craft and inspire a vision*” within what has become a fast changing public service environment and, in turn, developing a more resilient and ambidextrous workforce better equipped to deal with change arguably demands an adaptive and changing skill set. This again reinforces the need for public service managers to deepen their understanding of the composition of future workforce and skills needs, locus of current and projected skills shortages, and the extent to which time, financial and human resource investment in collaborative talent management is viewed as being a strategic imperative.
- The potential for talent management interventions to assist in reducing workforce

inequalities and addressing key skills gaps was recognised (Harris and Foster, 2010). However, reinforcing the strength of inclination towards the inclusive perspective in which “*everyone has talent*”, cultural barriers and distrust of management were highlighted as likely inhibitors. Indeed, it was contended by some that the workforce may reject exclusive approaches in that, according to one participant: “*staff often become suspicious...and resentful of perceived unfairness...some of the trade unions may also see talent-spotting as favouritism*”. This brings us back to the need for talent managers to fully understand the nature of and need for talent management within their organisation, and the extent to which inclusive or hybrid approaches are required to bring about desired outcomes.

- While most participants shared an affinity with the need for and direction of public service reform, in particular the need to increase efficiency and develop more agile services, day-to-day workplace demands tend to assume precedence over the required (and substantial) action to progress collaborative interventions. The prevailing culture within public service organisations, which has “*been quite insular...quite comfortable, and the incentive hasn’t always been there to be creative or to innovate*”, as explained by one participant, was also regarded as a substantial barrier to pressing collaborative interventions. The nature of ‘collaboration’ itself fuels the degree of conceptual complexity in scoping the nature of and need for collaborative talent management. A widespread perception that “*behaviours are harder than the concept [of collaboration]*”, with reference made to “*politics*” in action, “*dominance and control*” exhibited by some of the larger organisations, and inherent competitiveness, are all perceived to foster “*unclear authorising environments*”. Thus, similarities and dissimilarities between public service organisations also need to be considered, raising the important questions of which organisations best lend themselves to effective collaborations, and what is the optimum number of collaborative partners to reap maximum benefit? This again calls for clarity on a collective definition, scope and mutually beneficial outcomes to be derived from collaborative interventions. In the words of one participant: “*I need to better understand the end product...collaboration for collaboration sake are empty words*”.



growth
↑

“There is a need to increase the profile of talent management as a central component within an organisation’s or partnership’s strategic/business plan or equivalent and the role it can play in helping organisations and partnerships achieve improved outcomes.”



↑
SKILL potential

Implications for Practice

Based on the analysis of the survey, follow-up interviews and literature review, a number of key features of talent management have been identified and these have been encapsulated within a Checklist (Appendix 1). This Checklist sets out a series of key issues to consider when developing a talent management strategy and approach or reviewing an existing one. It has been designed as a practical tool for use by organisations to help shape their thinking and approach on talent management.

Case studies of interesting practice in talent management from across the public and private sectors have also been included in Appendix 2.

A number of practical steps are also outlined below to help address some of the issues raised throughout this research, if there is an appetite amongst Scotland's public services to progress them further.

This research has defined talent management as:

'the proactive identification and development of high potential individuals at all levels currently working within an organisation, to support them to reach their full potential within the workplace'

- Building on this, further work is needed to see if a common definition can be agreed across public services in Scotland and to define what an end-to-end talent management strategy would look like in practice (both for an individual organisation and system-wide).
- There is a need to increase the profile of talent management as a central component within an organisation's or partnership's strategic/business plan or equivalent and the role it can play in helping organisations and partnerships achieve improved outcomes.
- Greater clarity is required as to the skills gaps/talent deficits organisations will face over the next five to ten years and the strategies required to address these, including the more effective use of youth employment strategies, for example, Modern Apprentices, Graduate trainee schemes etc.
- Further work is needed to define exactly how the Community Empowerment (Scotland) Act 2015 and health and social care integration can / should be drivers for the development of a more system wide approach to talent management to support 'strong shared leadership at all levels, directed towards distinctive local circumstances'.
- Consideration needs to be given to how some of the potential barriers to developing a more system wide approach to talent management (e.g. different terms and conditions) can be overcome.
- The phasing of any future work needs to be given careful thought. For example, rather than move straight to a more collaborative approach to talent management, a first phase may be for individual public service organisations to fully embed a more consistent approach to talent management across their organisation.
- Further work is needed to identify which public service organisations may be interested in collaborating on talent management and whether there is an optimum number of organisations to ensure any such collaboration could reach consensus and take action.

- Further work is needed to develop an understanding of how public service organisations are supporting and resourcing communities to further develop and use their talent to fulfill Scotland's ambitions around community empowerment, including a focus on what else needs to be done to ensure local community talent is being utilized to its full potential to support the shift to prevention and to achieve improved outcomes.
- Learning may be able to be drawn from the New Zealand Government, which is implementing a system wide approach to talent management across all state services, including the implementation of a Talent Management Toolkit and Talent Management Information System, which provides access to a large, shared database of talent from across the State services and beyond, as well as the development of a common assessment and development approach for leaders, to ensure the capabilities of all leaders are measured against the same standards.
- Links should continue to be strengthened with the University of Birmingham research on the '21st century public servant', given the parallels to the Scottish context.
- Further research should be considered to evaluate the effectiveness of current approaches to talent management.

Whilst individual public service organisations may find it helpful to progress some of these practical steps as they continue to develop and refine their approach to talent management, perhaps the bigger prize lies in an honest dialogue between the leaders of our public services in Scotland as to whether or not there is an appetite, commitment and willingness to develop a more collaborative approach to talent management in Scotland's public services, with the Scottish Leaders' Forum being a useful starting point for such collaborative discussions.

There is currently no 'owner' for these actions, as they relate to systemic change. To start a discussion on the issues raised by this research and the proposed practical steps identified above, the Improvement Service will have discussions with SOLACE Scotland, the Society of Personnel and Development Scotland and Workforce Scotland. The Improvement Service and both universities will also host an event for OD practitioners from across Scotland's public services to focus on the implications of and opportunities presented by the research findings, using a solutions focused approach to address each of the practical steps outlined above.



Appendices



Appendix 1: Talent Management (TM) Checklist

| Question | Comment | Actions |
|--|---------|---------|
| Link to Strategic Direction | | |
| 1. What is the purpose of our TM strategy? | | |
| 2. How does our TM strategy support the strategic objectives of the organisation, particularly around public service reform, integration, community empowerment, moving to prevention, tackling inequalities, etc.? | | |
| 3. How does our TM strategy relate to our approach to workforce planning? | | |
| 4. How do we define talent in our organisation? | | |
| 5. Which posts are we particularly targeting and why? | | |
| 6. What roles in our organisation are most difficult to fill? | | |
| 7. Which posts contribute most to fulfilling our strategic objectives? (e.g. consider roles which tackle inequalities, support prevention, early intervention and community participation) | | |
| 8. What new and emerging skills are required in our organisation <ul style="list-style-type: none"> • At practitioner level? • At middle manager level? • At senior leadership level? | | |
| 9. What is our TM strategy specifically seeking to address? (e.g. issues with recruitment, retention, deployment, development) | | |
| Identifying Talent | | |
| 10. What frameworks do we have in place to identify talent? | | |
| 11. How do we identify talent at all levels of our organisation? | | |

| Question | Comment | Actions |
|--|---------|---------|
| 12. How do we use the outputs from the appraisal system to feed into a TM strategy? | | |
| 13. How well understood and supported is our approach to TM throughout the organisation, including buy-in from <ul style="list-style-type: none"> • Senior leaders? • Middle managers? • Practitioners? | | |
| Developing Talent | | |
| 14. How do we develop and offer opportunities for staff at all levels of the organisation? | | |
| 15. Thinking about our organisational culture, what organisational conditions are in place to nurture and support the development of talent at all levels? | | |
| 16. What is our specific development offer to <ul style="list-style-type: none"> • Senior leaders? • Middle managers? • Practitioners? | | |
| Deploying Talent | | |
| 17. How do we use TM to help deploy staff more effectively? | | |
| 18. What opportunities does TM offer in relation to wider understanding of the organisation as a whole? | | |
| Evaluating Talent | | |
| 19. How do we know that our TM approach is successful? | | |
| 20. What have the results of our TM approach meant for the organisation? | | |
| 21. What have the results of our TM approach meant for individuals? | | |
| 22. What are the costs of our TM approach and are these good value? | | |

Appendix 2: Examples of interesting practice

Talent Management Processes, sportscotland

There are two sides to talent management at sportscotland:

1. The identification and development of sporting talent, and
2. Talent development within the organisation itself.

The following excerpt focuses on the latter to highlight existing processes to develop skills among staff members within the organisation.

Overall sportscotland has an inclusive approach to talent management. This enhances the capabilities and competencies across the whole organisation and in return helps to create a sense of common purpose in driving the delivery of the corporate plan and helps individuals to develop their careers. Inclusivity reduces the risk of disenfranchising other staff members and stimulates collective values, experiences and skills.

sportscotland has various processes in place contributing to this, including: secondment opportunities, a leadership development programme, an established Performance Development Review (PDR) process and a recruitment and selection process that encourages internal promoted opportunities.

Various secondment opportunities are encouraged and facilitated by the organisation. Recently one member of staff spent a year-long secondment with Sport New Zealand, one was on a two-year secondment working in London with the Commonwealth Secretariat and finally another was on a 12-month secondment with Education Scotland. Secondment opportunities, such as these, help to generate new skills and knowledge, and to form new contacts and networks, which benefit the organisation as well as the employee.

Although it is not possible for all staff members to undertake secondment opportunities, which tend to depend on individuals' experience and background and the fit with the needs of the organisations, investment is made in other generic programmes to meet specific individual needs, especially where these relate to CPD opportunities and/or developing underlying knowledge and competencies. The organisation also runs specific courses where there is a common need, a recent example being corporate governance training for partnership managers. It also offers flexibility in the type of opportunities it offers staff to work in different roles within the organisation through internal secondments.

Last year sportscotland also initiated a leadership development programme, which is open to those within appropriate roles. This is building capacity and skills as well as a coherent leadership ethos which is aimed at encouraging further integration and collaboration across the organisation.

Each member of staff has their own personal development plan which is reviewed annually. The Learning Development team appraise these plans and identify any common needs. Funded learning opportunities are used to both fill skills gaps within the organisation and to

reward people who have shown initiative and commitment to the organisation.

Over the past four years an increasing number of staff have gained internal promotion, some with the required skillset and knowledge to be successful at the higher level while others have been promoted as a 'developmental' opportunity, with an associated personal development plan that provides support until they are able to fulfil the full requirements of the role.

sportscotland highlights that the commitment to these programmes is important to ensure that everyone has a chance to participate, including new people joining the organisation.

Main Drivers

sportscotland has an ambition to help build a world class sporting system for everyone in Scotland. To do this the organisation needs to constantly look and plan ahead to advance in line with changes in its operating environment taking into account change in Scottish Government policy, the prevailing financial situation and technological developments. Detailed consultation during the development of the 2015-19 Corporate Plan identified people development as one of the core priorities alongside collaboration and impact, and equality. Workforce development is seen as a central element to the overall advancement of the organisation.

Collaboration in Talent Management

Although sportscotland is not involved in any formal talent management collaboration as such, the organisation is keen to encourage opportunities and experiences for staff members both within and outwith the organisation. Further collaboration would benefit from investment in order to facilitate and co-ordinate more cross organisation co-operation and the movement of people especially across the sport sector.

Developing Talent and Careers in Scottish Enterprise

The main aim of the talent management programme at Scottish Enterprise is to create three talent pools at the following levels:

- Senior Leadership
- Leadership
- Management

Scottish Enterprise's talent management programme is intended to identify the highest potential people for development into future management and leadership positions with a rigorous and challenging assessment process.

The aim is for applicants undergoing the assessment process to gain valuable experience via the selection process and for those who form the talent pool in each of the three levels to, in addition, undertake personal development that focuses upon the competencies required to fulfill these future roles. Recruitment for future management, leadership and senior leadership roles continues to be open to applications from anyone within the organisation, i.e. membership of the talent pools is not a guarantee to promotion and non-membership of the talent pools will not preclude colleagues from promotion.

This approach to talent management was introduced to the organisation through a variety of communication channels including all staff communications via a daily news feed on the staff intranet; articles in the monthly People Manager Brief; as well as direct emails to each of the pools of candidates eligible for each of the three pools. During the selection process for each of the three pools on-line briefing sessions were also carried out. This approach to communication ensured good understanding of the new approach that was being adopted by the organisation.

Scottish Enterprise launched the application process for the Senior Leadership talent pool first. Candidates completed an application form which asked for evidence against a number of competencies which were drawn from the organisation's resonant leadership and resonant management development programmes which are both based on emotional intelligence as being the driver of high performance. This application form also had to be endorsed by the people manager before submission. Initial applications were subject to a rigorous pre-selection assessment before those selected were invited to attend an assessment centre.

Assessment centres were multi activity events that assessed participants against the key skills and resonant behaviors required of a senior leader within Scottish Enterprise. The assessments were carried out by senior leaders and HR colleagues, all of whom had been trained in observational assessment and evaluation. From these assessment centres, a number of colleagues attended a final interview to determine who would be placed into the talent pool. At each decision stage of the process, participants were offered formal, structured feedback providing helpful pointers for the next stage of the process or a focus for future development.

Whilst the assessment process was challenging it was just as equally, constructive and consistent, confirmed by feedback received from both the successful and unsuccessful applicants. This feedback was important as it validated the decision to adopt a similar approach for the remaining two talent pools

The next assessment process was for the Leadership talent pool, and the assessment process was adapted to include material appropriate to the Leadership role. Its aim was to find those colleagues with the highest potential to be developed into Directors and Senior Directors, with colleagues at manager and senior manager grade eligible to apply. The process for communication, briefing and application was similar to the previous process and again delivered a small pool of colleagues ready to be developed to allow them to apply for Leadership positions.

The third and final process was to create a Management talent pool. The number of eligible candidates for this pool was larger than for the previous two pools and so the organisation added a further stage in advance of colleagues being invited to complete an application form and seek their people manager's endorsement. This additional stage was an on-line situational judgment test which all interested colleagues completed. A target level of success was set and those colleagues who met and exceeded this target were then through to the next stage of the process. Again final selection decisions were made based on performance at assessment centre and final interview.

The development that colleagues in the Senior Leadership and Leadership pools undertook was mainly experiential. However, for the Management talent pool it was recognised that additional skills and knowledge gaps existed. These were addressed by management talent pool colleagues receiving the following additional development:

- Attendance at SE's bi-ennial People Management Conference
- Attendance at 2-day Coaching for People Managers Training
- Attendance at 2-day Introduction to People Management Training
- Attendance at Resonant Manager Workshop
- Access to a 360 assessment
- Access to a Coach
- Encouragement to take part in Action Learning Sets

Throughout the process the organisation found the role of people managers to be central to the success of the individual participant who put themselves forward for this process. The encouragement to fulfill potential, the commitment to support personal development and the willingness to provide honest but constructive feedback are fundamental responsibilities of the people manager, and are some of the most effective and powerful interventions within the assessment process.

The commitment of the people manager did not end when the assessments finished but continued with the need for ongoing coaching, releasing for formal development, creating opportunities for informal development and trusting the individual with added responsibility that allowed them to grow their potential.

Talent Management in Scottish Water

This case study has been adapted from an article on YSC's website, written by Cher Hill and Julia Stevenson on 26 October 2016 - <http://www.ysc.com/our-thinking/article/surfing-the-talent-wave-spotlight-on-scottish-water>

Background

Scottish Water has 3,700 employees. One-third are currently over 50 and 75% are male. A fundamental tenet is that: *“we believe that all our employees have talent and that these talents should be developed and deployed to best effect across the business”*.

In late 2013, Scottish Water took a detailed look at its workforce and devised a new talent management strategy. The plan was to create a company-wide initiative that would pull together every aspect of the talent lifecycle – from attraction and identification, right through to development, deployment and retention/release. Topping the list of priorities was homing in on the critical talent segments that would be needed in the future – including identifying a cadre of emerging leaders to improve its leadership ‘succession depth’. This resulted in the development of a two-year accelerated development programme that would enable high-potential individuals “to make significant and effective leadership transitions” within the organisation.

Identification of Talent

As a first step to identifying the breadth of future talent, Business Managers were asked to nominate individuals who had impressed them as ‘ones to watch’ against a broad set of criteria. That enabled a group of Scottish Water ‘Talent Spotters’ to review over 200 nominees and narrow the list to around 50 individuals who were deemed to have good short and long term potential. YSC then carried out “a further robust talent exercise” – underpinned by the Judgement, Drive and Influence (JDI) Model – involving a one-to-one YSC View assessment, consisting of psychometrics and a semi-structured interview with a YSC consultant, followed by a written feedback report and follow-up conversation. Following this process, in October 2014, a cohort of 21 employees from this group (16 women and five men) were chosen to take part in the Future Leaders Programme.

The two-year programme was designed on the 70:20:10 principle of learning – blending relevant role experience with learning support networks and ‘formal’ learning interventions. YSC’s role was to provide specific development help with development planning and JDI 360 surveys, and they supported line managers with interpreting feedback on individuals to help individuals shape and implement their development plans. Structured job moves to fill development gaps were a key element of the programme design, driven by the development needs of participants rather than on their previous track records.

Benefits

Eighteen months on, 18 individuals from the first cohort have taken on new roles and some have already been promoted to Business Manager level. There has also been consistently good feedback, which has resulted in the Future Leaders Programme being repeated, this time moving to self-nomination and an extra robust selection process. 103 applications were received and 22 were successful, split equally between male and female applicants.

New Zealand State Services Commission (SSC)

Background

The New Zealand State Services Commission (SSC) has put a programme in place that is significantly changing how the State sector identifies, develops and utilises leaders and talented people from the start of their careers to their most senior levels. Their talent management system provides the tools and approaches to help leaders and people at all levels reach their full potential. By maximising the potential leadership and talent across the public system, SSC aims to achieve better results for New Zealanders.

SSC is building leadership and talent across the State services by:

- strengthening leadership across the system
- encouraging and supporting leaders to step into more challenging and complex roles
- supporting the move away from a Wellington-centric view, encouraging diversity within the public service
- identifying their most talented people, developing them and placing them where they are most needed.

Tools

SSC has developed a common set of tools which support better talent management through consistent, good practice. These include:

- **Leadership Success Profile**
This Leadership Success Profile (LSP) has been designed to have an inclusive view around leadership. It is for the many, not the few, and is a different model of leadership than SSC has exercised before. SCC has a pool of good agency leaders who deliver in the context of their agencies and is now working towards developing a group of leaders who can both lead their agencies well and work together to have an impact across the entire State Sector system. The core aspects of the framework are translatable across the leadership pipeline and into functional and professional areas. The LSP can be accessed at <http://www.ssc.govt.nz/leadership-success-profile>
- **Talent Management Toolkit**
This provides practical resources to support agencies to mature and extend a consistent approach to talent management at all levels. It helps agencies attract, identify, develop, deploy and retain talent – from early in their career through to their most senior levels. These resources have been developed by a cross-agency team of human resources and organisational development specialists. Agencies are required to fully embed the toolkit as part of their talent management practices at all levels, to ensure that leadership and talent is considered in a consistent way across the state sector. A suite of tools can be accessed from <http://www.ssc.govt.nz/talent-management-toolkit>
- **Assessment and Analytics**
This is a common assessment and development approach for leaders, which ensures their potential and readiness to progress is measured in a consistent way. Whilst the initial focus is on assessment and development of the senior leadership cohort, over time the extension of this framework will be used to assess leaders at all levels. System-level

analytics allow an accurate picture to be drawn of individual and collective leadership capability across the state sector. Further information is available at <http://www.ssc.govt.nz/sites/all/files/Factsheet%20Leadership%20Insight%20v1.pdf>

- **Talent Management Information System (TMIS)**

Agencies have worked together to develop a TMIS, which provides Career Boards and individual agencies with access to a large, shared database of talent from across the state sector. It enables the building, storage and utilization of data to drive insights from analytics. The TMIS is used to support state sector-wide talent management, to ensure that the state attracts, identifies, develops, deploys and re-trains great people - from early-in-career right through to their most senior levels. For the first time, leaders are able to benefit from utilising their talent management data to support their careers, beyond changes in employing agencies. The information held on an individual in the TMIS includes current role information, career and employment history, education and training with other information being collected with the individual over time as part of participation in Career Board, sector-wide or agency talent management processes, such as short-term and long-term aspirations, Leadership Insight results, development plan and progress and career board participation history. Further information can be accessed at <http://www.ssc.govt.nz/tmis>

General Electric Company

General Electric Company is ranked number one on AON Top Global Companies for Leaders list for 2014, which is a list of companies with excellent leadership practices. The rankings take into account a number of talent management processes such as assessing performance and potential, analysis of business goals and objectives, and resilience and sustainability in developing new leaders.

General Electric invests heavily in employee development. \$1 billion is spent annually on development at every level and career stage. The development opportunities provided include not only providing a broad range of experiences, but specific training and courses developed to improve performance within the employee's work area. One example is the 'experienced manager course', which groups middle managers into teams of five to solve real business problems customised for team members. The results are then presented to senior leaders. This approach allows a customised programme for each employee, exposure to new ways of looking at a problem on a team with colleagues from across the organisation, and the ability to work on practical and real business scenarios.

General Electric also offers a number of Early Career Leadership Programmes. These involve recruitment of top graduates with continuous performance management and monitoring in order to identify future leaders and encourage development. This takes place through providing a wide range of experience, networking and mentoring from senior leaders, as well as providing specific training opportunities related to their specific work programme.

According to Raghu Krishnamoorthy, Vice President of Human Resources at GE Healthcare, General Electric's success at developing leaders at all levels is a result of not only the methodologies for talent management that are in place, but the intensity of the discussion around performance and values. That means that there is a major commitment in time from the organisation and its leadership in its people. This discussion helps to clarify the business's needs, and the values that allow them to select people to fill these.

In addition, Krishnamoorthy identifies six key practices within GE that give it an edge in talent management:

1. Managers give attention to each individual appraisal including dedicating a large portion of time to preparing for a detailed discussion of the employee's performance and values, strengths, development needs, and development plans. 'Coaching the coach' programmes are essential to deliver this.
2. Appraisal takes place at multiple levels. Thus a manager's appraisal may be questioned by the manager's manager if they do not feel it accurately reflects the member of staff's needs and performance.
3. Use of a 9-block grid. This is not to force rankings, but to allow consistency across the organisation.
4. Identifying the key skills required to be a successful leader. This particularly means the ability to make good decisions and judgements. These traits are unearthed through discussion and consideration of the business's needs.
5. Most leaders, including the CEO, spend around 30% of their time on people-related issues. This ensures that performance is assessed by people aware of the business' needs, and that talent management is part of the whole business agenda rather than just an HR

activity. The aim of GE's talent strategy is to meet its strategic goals. Thus when GE sets its goals for the next three years, each business area also sets its human capital goals. This allows strong integration between overall targets, and the HR strategy that will help to deliver them.

6. Talent management is a company-wide commitment, both vertically and horizontally across the organisation.

Another feature of GE's talent management system is flexibility. In particular, the company has moved away from yearly performance reviews towards a more project based approach that assess deliverables with feedback delivered frequently via an app. The main point of this new system is continuous conversation on how far people are from targets, and how to achieve these. The new system does not set fixed goals, but is flexible and adapts according to the employee's needs in order to ensure that performance can be improved. Thus, the new approach seeks to identify why people are low performers and to address this. This change is a reaction to the changing nature of GE's work, which is now based on more complex rather than routine tasks, as well as developing ideas about how people respond to training, learning, working and assessment.

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