



Talent Management in Public Services in Scotland: Practitioner Report

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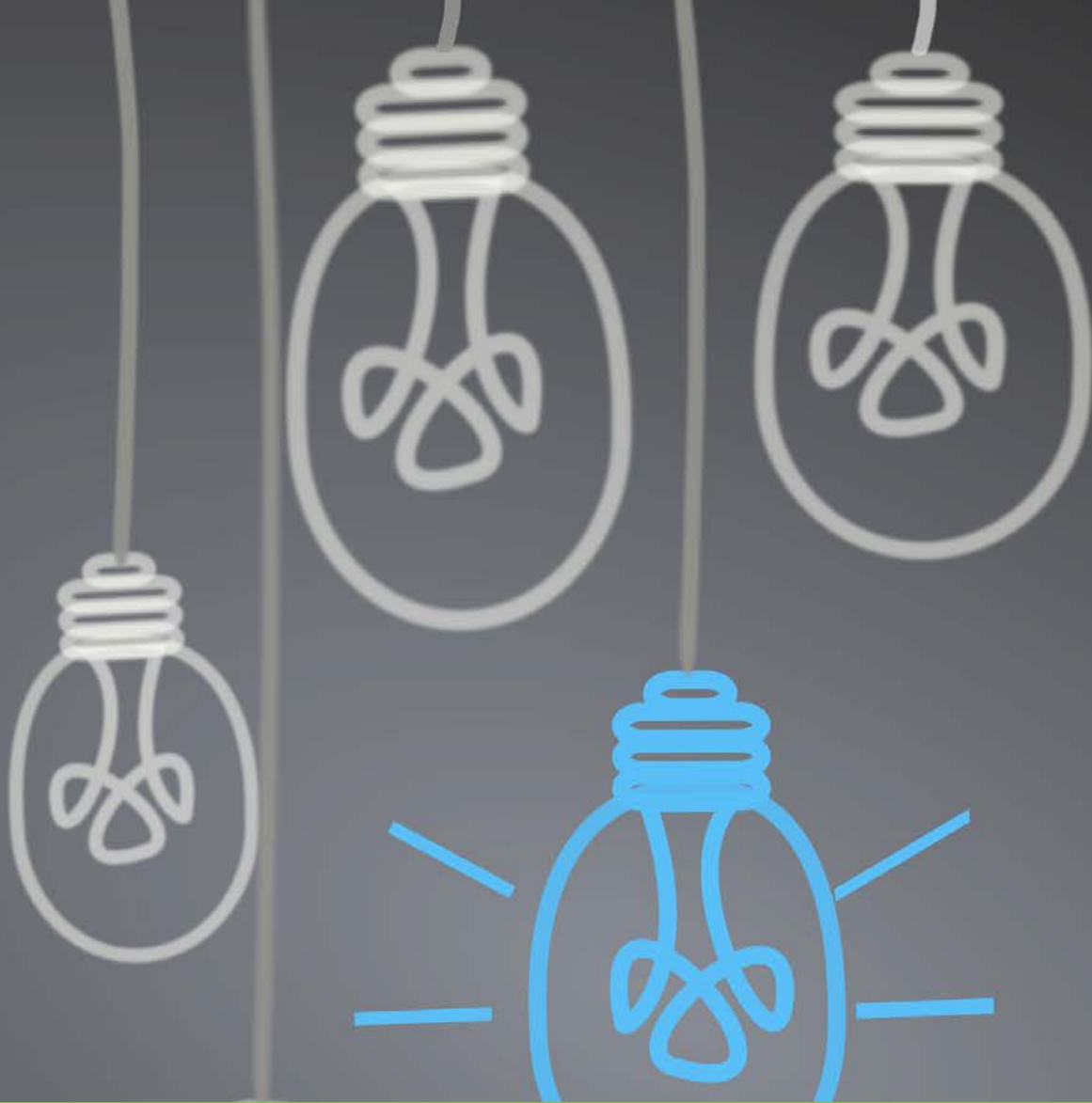
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“The research explores senior stakeholder perceptions of the drivers, barriers and enablers of talent management within a collaborative public service context.”

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

An online survey was issued to 91 HR/OD leads from across Scotland's public services to capture the nature, context and practices of existing talent management approaches, with a 34% response rate achieved. Both universities also conducted 35 one-to-one interviews with a representative sample of these HR/OD leads. Finally, a 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.

The full research report can be accessed at www.improvementservice.org.uk/documents/research/talent-management-report.pdf

Definition

One of the key research findings is that there is not a commonly agreed definition of talent management across Scotland's public services. 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.



“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.”

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.

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.

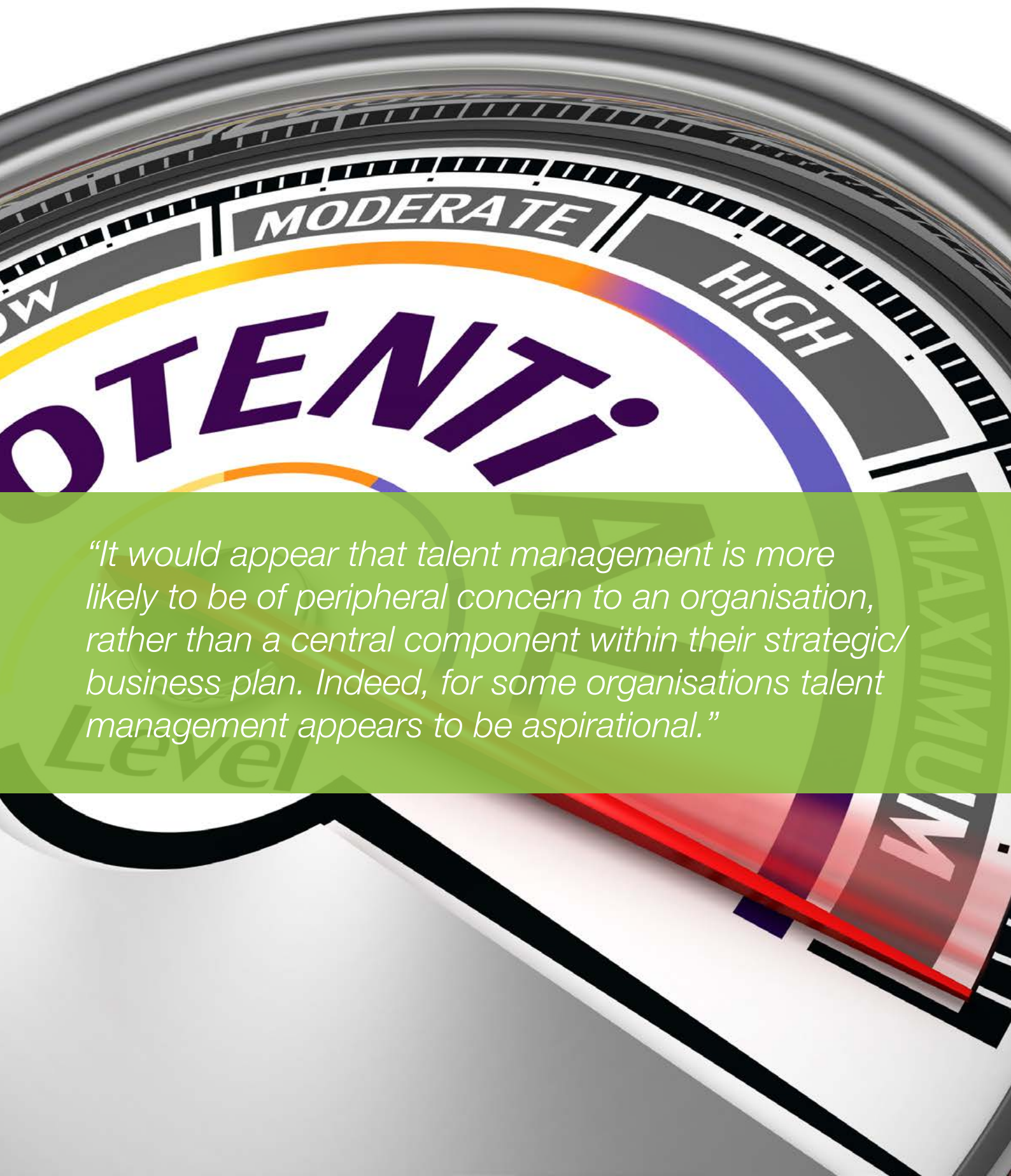
The timing of this research is particularly relevant, given the development of the public service reform landscape since the publication of the report of the Commission on the Future Delivery of Public Services (The Christie Commission) in 2011. The introduction of the Public Bodies (Joint Working) (Scotland) 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.



POTENTIAL.

“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.”



Key Findings

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. 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.

- 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.



People

“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.”

Practical Tools

Talent Management Checklist

Based on the analyses of literature, the survey and follow-up interviews, a number of key features of talent management have been identified which have been captured in 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. If you have any questions on the Checklist or require support with its implementation, please contact Dot McLaughlin, OD Programme Manager, Improvement Service, dot.mclaughlin@improvementservice.org.uk

Tools used by other organisations

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. 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; and
- identifying their most talented people, developing them and placing them where they are most needed.

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. SSC 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 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 www.ssc.govt.nz/talent-management-toolkit. These include a nine box-grid, talent management maturity model, overview for Chief Executives and leadership teams on leading talent management, guide to having talent management conversations, my talent profile template, career conversation map and a leadership potential self-assessment.

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 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 retrain great people - from early-in-career right through to their most senior levels. For the first time, leaders are able to benefit for 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 www.ssc.govt.nz/tmis



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
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Implications for Practice

A number of practical steps are 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 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”.

- 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, aligned to their business strategy.
- 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 utilised 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 State Services Commission, 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.

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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