NHS Wales guide to Talent Management

Guidance notes

Contents

What is talent management?

There has never been a greater need than now for talent management within NHS Wales. There is consistently a need to identify, develop and retain talent across NHS Wales. The reality forces organisations to adopt talent management as a critical step into the future of the system that should be adopted to achieve optimum results.

CIPD explains talent as:

> The systematic attraction, identification, development, engagement, retention, and deployment of those individuals who are of value to an organisation, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles.

Talent management is defined as the methodically organised, strategic process of getting the right talent onboard and helping them grow to their optimal capabilities keeping NHS Wales organisational objectives in mind.

The process involves identifying talent gaps and vacant positions, sourcing and on-boarding the suitable candidates. The aim is to grow them within NHS Wales and develop much-needed skills to ensure we engage, retain and motivate them to achieve long-term business goals.

The definition brings to light the overarching nature of talent management – how it permeates all aspects pertaining to the human resources at work while ensuring that the organisation attains its objectives. It is thus the process of getting the right people onboard and upskilling them to enable the organisation.

Talent management is defined by the organisational activity including attracting, selecting, identifying, developing, and retaining highlighted employees for critical roles.

Previously the definition of talent was mainly associated to recruitment whereas its boundaries have now been escalated to organisational capability, individual performance, performance enhancement, workforce planning and succession planning across critical positions in NHS Wales.

It's important to note that all talent management activity is closely linked to other on-going work within your organisation such as workforce planning and local retention plans.

This is enhanced when the organisation clearly defines their talent strategy and is adopted across the organisation for a 'one team' cohesive approach to talent locally.

Talent management within the strategic narrative are as below:

- Clear definition of what is talent?
- Clearly defined talent management plan ensuring organisational 'buy-in' throughout NHS Wales and adopted locally.
- Evidence based approach for the investment into talent management.
- Collaboration at executive level about the strategic approach to talent management.
- Engaging WOD/L&D/HR/Workforce planning and local retention lead to collaborate effectively with a 'one approach' to talent management.
- Ensure collaboration across the organisation considering the links with the local retention plan
- Agree a talent management plan/proposal across NHS Wales.

These approaches will support the preparation of a compelling case to develop a planned and systematic methodology to talent management.

In large organisations such as NHS Wales it is important to note there will always be competing priorities and differing national and regional contexts for how talent management should be managed. The aim is to standardise talent management nationally. The below diagram shows the components of talent management.
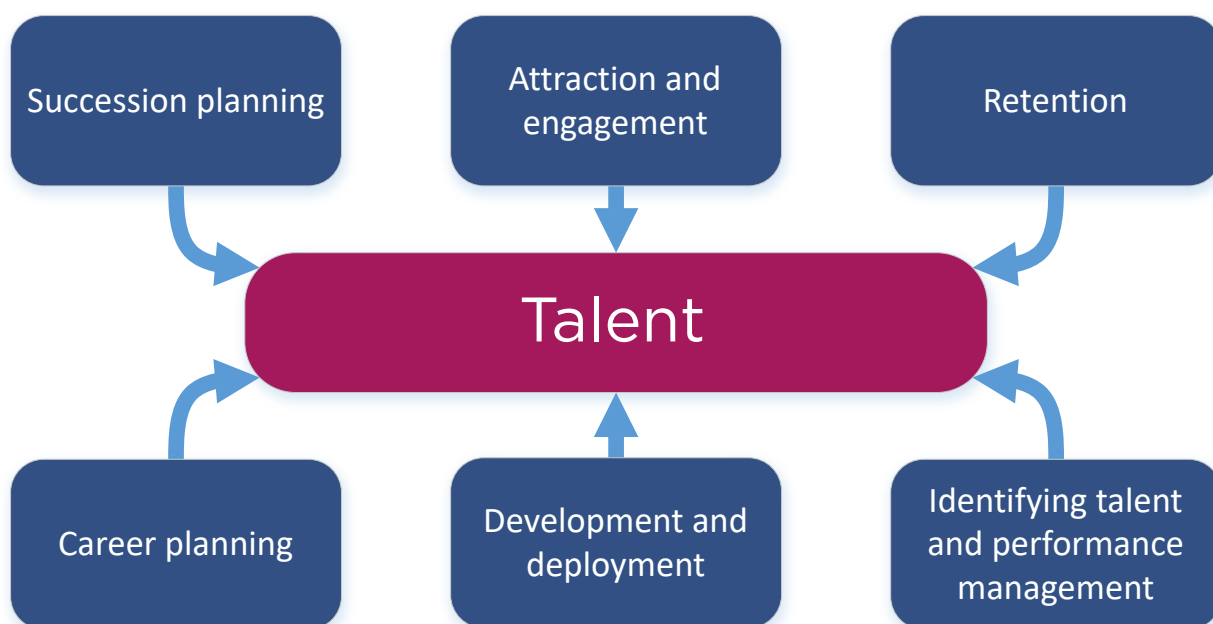
The component parts of talent management across a broad range of definitions are summarised in figure 3.

The tools are used to support a process by which talent management takes place in a talent loop (Tansley et al 2007) consisting of:

1. Attracting talent

This relates to how the applicant views the organisation and whether the applicant feels it aligns with the values and culture of the local organisation. There is a strong emphasis on two parts of the attraction component, The employee value proposition, and the employer brand.

2. Developing talent

This is the second part of the talent loop and consists of the talent management activities designed to maximise the potential of individual employees. Possible development interventions include education to maintain or stretch performance; continuing professional development; formal programmes on leadership and management; coaching and mentoring and development projects.

3. Managing talent

If there is a culture whereby managers care for the development of members of their teams, then there is an increasing chance that the organisation will be able to deliver its objectives. Hence there is the need to link talent management to wider performance management processes. Being effective in this is important because the manager is often the interface between talent management systems and their implementation. Success is dependent on both being effective. An inclusive approach to talent management means that managers will be skilled in constructive conversations from which will stem development activity and ultimately the maximisation of individual performance.

4. Evaluating talent

The final part of the talent loop is concerned with the evaluation of talent management processes. This is about the use of systems and processes for tracking talent and the development of measures of effectiveness of any talent management initiatives.

The key to success within talent management is to ensure that whatever has been agreed aligns with the organisational agreed strategy and actions agreed by the talent management Board.

Potential measures of success and progress of the talent management plan

TMP advantages	TMP internal tangible benefits	TMP internal intangible benefits	External benefits
⤵ Cost saving for investing in talent management vs recruitment	⤵ Readily available candidates	⤵ Facilitates a focus on the strategic talent management plan	⤵ Improved organisational reputation in the talent management sector
⤵ Better tracking of internal talent to fill critical roles	⤵ Increased success in achieving strategic aims	⤵ Creates focus on 'what are the key critical roles for the organisation'	⤵ Improved patient care
⤵ Better alignment of individual resources	⤵ Improvement in productivity	⤵ Better succession planning into senior/critical roles	⤵ Improved external stakeholder relationships
⤵ Segmentation of talent pools ready to mobilise	⤵ Return on investment of talent	⤵ Increased creativity and innovation	
	⤵ Improved retention rates		
	⤵ Lower turnover at senior/ executive level		
	⤵ Increased employee job satisfaction		
	⤵ More diverse workforce		

Conclusions of talent definitions

There are a range of varying factors that will contribute to the definition of talent and talent management across NHS Wales. This will include how the talent strategy is defined and how the actions of the talent management plan are implemented.

⤵ There is evidence to support the principle that the systematic identification of talent, the development of tools and techniques for talent management and the adoption of such techniques throughout the NHS will be important in the delivery of the organisation's objectives. These objectives can be external such as customer or stakeholder satisfaction; or internal such as the delivery of financial targets, the achievement of workforce engagement or managing the organisation through transformation. It is important to 'develop an integrated, proactive talent management strategy.'

⤵ Understanding of the context within which talent management and employee engagement are taking place is important to deal with both 'linear' and discontinuous aspects of todays and tomorrow's challenges. For successful talent management to take place one should 'know the company's business environment and plans—the competitive climate: Know plans for growth,

merger, divestiture, new products or technologies and project their impact on immediate and longer-term talent needs. '(Lockwood 2006) The sentiment behind this observation applies equally to the NHS and there are several points for further discussion. This will involve close alignment of the talent strategy with the NHS organisational strategy. Then, how can the identified leaders be developed to undertake the challenge of workforce engagement in a multi- generational, diverse, and multi-skilled environment. This latter point is critical since high levels of employee engagement drive organisational performance.

○ Research highlights that the development of leadership talent is a challenge that many organisations face. Decision making in this area needs to be strategic and effective for organisations to implement their objectives successfully.

○ On the understanding that talented people can drive productivity; improve performance and can be a competitive differentiator then the business case for taking a strategic approach to talent management is a persuasive one. Across NHS Wales, there is the need to retain and develop talented leaders and managers and to ensure that an inclusive approach to talent incorporating the local EDI plan into the talent management plan. Retention is also key to talent management and as such the local Retention plan should also be incorporated

○ A definition of talent in a way which is specific to NHS Wales will form the foundation on which future talent strategy is crafted is critical. There is a trend towards greater inclusivity in talent and talent management and clarifying who takes 'ownership' for aligning each of the talent groups with each other and within an overall framework will be important.

○ Gaining organisation- wide 'buy in' to this definition will be critical to its success.

○ Once agreement has been gained on what type of leaders and critical roles are required and how a comprehensive talent strategy can answer this, then outstanding implementation of talent management will be expected. The execution of a talent strategy and talent management plan in NHS Wales will be as critical as its development.

○ Part of this implementation will be the creation of talent metrics which will be used to track progress of the strategy and its contribution to organisational success. Such metrics might include the Return of Investment in talent (ROIT) or Retention metrics (obtained via workforce planning). HR analytics, and the creation of 'talent intelligence' are further areas of possible research.

Talent management essentially incorporates the talent strategy into a talent management plan that executes the varying components of talent. Capelli (2008) has urged organisations to build processes that supply 'talent on demand'.

This notion recognises the organisational need to be forward thinking in its talent approach to provide a constant source of talented people to create and deliver strategy. Identifying talent, developing talent, mobilising talent, succession planning, attract methodology and retention forma constant supply of 'ready' candidates to be future leaders in critical roles across NHS Wales.