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Talent Management: Preparing a “Ready” agile workforce



Angela Martin ^{a,b,*}

^a King Faisal Specialist Hospital & Research Centre, Riyadh, Saudi Arabia

^b HR Expressions, Bastrop, TX 78602, USA

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Abstract In preparation for the current aging workforce dilemma occurring within organizations globally, implementing and encouraging a culture of learning for succession and organizational effectiveness is imperative for providing effective and efficient healthcare, where people are the greatest asset and contribute to successful outcomes, such as patient care and satisfaction.

Being able to attract, hire, develop and retain top talent is a key goal within any organization that is concerned about maintaining a competitive advantage and market share. Globally, organizations that have the ability to fuel growth and drive performance, particularly in the Middle East, where countries are experiencing rapid economic development, is vital to ensure that human capital, specifically nationals, are ready to embrace change and can functionally as well as behaviorally take on key roles within the organizations as effective strategic leaders.

Regardless of the industry or location, human capital, workforce planning and development have become a topic of great global concern; the readiness of talent is vital for efficient and effective leadership. Furthermore, academia and research have shown that talent agility is critical for organizational development, growth and sustainability.

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* King Faisal Specialist Hospital & Research Centre, PO Box 3354, Riyadh, KSA 11211, Saudi Arabia. Tel.: +966 11 0555029747.

E-mail addresses: amartin@kfshrc.edu.sa, angie@hrexpressions.com.

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1. Introduction

Creating a culture that embraces and prioritizes organizational effectiveness and employee development has become an essential practice for managing a productive and profitable organization. The world is moving fast and there is rapid change in the dynamics of work. Organizations that recognize the importance of having a talent agile workforce will ensure their long-term sustainability and success [1].

Worldwide, a large generational group of people are retiring, and the next dynasty of leaders will soon be taking control. Healthcare organizations will greatly benefit by adopting Talent Management, “integrated organizational HR processes designed to attract, develop, motivate, and retain productive, engaged employees.” [2] By integrating effective talent strategies into their workforce plans, an organization can use proven methods and systems to appropriately optimize human capital resources to increase their competitive advantage, maintain their market share, and improve the quality of care where patient satisfaction ratings will also increase by simply ‘making ready’ employees as successors for such a generational transition.

By identifying critical operational positions and understanding the competencies of one’s human capital – having this knowledge, and forecasting the economic volatility in addition to being aware of the social and environmental changes that could affect the organizations over time – an organization can begin to build a pipeline of ready personnel. This process is called Succession Planning. Through this process, an organization can manage the current workforce changes effectively as well as forecast and plan according to future human capital needs, such as when the organization grows, and build a talent agile culture to lead the way.

2. The purpose

Since 1997, when the phrase “Talent Management” became more widely used after Steven Hankin of McKinsey and Company [3] coined the term ‘the war for talent’ and later fully discussed the topic of Talent Management in a book titled *The War for Talent*, written by Ed Michaels, Helen Handfield-Jones and Beth Axelrod [4], organizations have acknowledged the need to embrace talent management practices to forecast and manage human capital more effectively by appropriately aligning business objectives and strategic goal setting to prepare for the growth and expansions that occurs within organizations.

With the generational workforce transition and the need to prepare Generation X and Millennials for leadership succession, organizations will need to put processes into place that will identify and prepare high-performing high potential (HIPO) employees for leadership, if they have not already. Thus, organizations wishing to successfully survive the generational workforce shift must equip their workforce with the skills, knowledge and behaviors necessary to lead with a spirit of entrepreneurship, vision and teamwork.

Research has shown that by implementing talent management strategies, organizations will not only build a

pipeline of agile leaders and successors but will also stimulate and encourage a culture of learning by engaging the organization’s entire population by building an organizational culture that is hungry for continuous development while simultaneously improving performance [5].

3. The plan

Focusing on talent agility and deploying strategic talent transformation initiatives, even beyond the typical, offers a variety of solutions for ensuring organizational success in healthcare organizations. Due to technological improvements, medical and clinical advancements, and the large amount of mergers and acquisitions occurring in healthcare, implementing ‘lean principles,’ those focusing on driving performance and productivity, will be critical to building an agile workforce [6]. By collaboratively implementing the integrated processes of talent management, an organization can infuse effective methods, processes and programs in addition to people development. Consequently, preparing leaders, maximizing their potential, and increasing organizational productivity, profitability, and ultimately, its competitive advantage and market share presence can be increased by preparing the human capital.

To do this, the organization must start with a baseline foundation to develop and retain internal persons that possess the ability and capability to lead with vision as the organizations grows, but not lose sight of the importance of externally attracting the right people. Talent management methods can be implemented to start succession from the moment a potential hire completes an application. Succession planning is generally facilitated in five major phases. Step one: identify critical workforce positions; step two: identify position competencies; step three: identify succession management strategies; step 4: document and implement the plan; and step 5: evaluate the plan –this cycle continues as the landscape of the organizations evolves, changes and transitions [7]. Succession planning reinforces an organization’s commitment to building an agile workforce through the constant preparation of its human capital at all times.

For succession planning to effectively work and build an agile workforce, organizations must know their human capital. In learning about the organization’s human capital, current leaders will be able to better complete talent transformation activities that will result in effective people placement within the organizations. Conducting talent reviews, assessing and identifying leader potential, and then preparing or making ready human capital leads to effective internal talent placement. Each of these phases consists of many result-oriented activities; thus, we will discuss each phase in further detail.

The Talent Review Phase includes an assessment activity called the 9 Box Review/Grid. This is where an organizational development practitioner or human resource management professional, along with the department leader(s), reviews, discusses and prioritizes individuals according to their skills, abilities, competency and readiness [8]. This activity is the first step in organizing a structured succession plan for any department. During this review, it is also important to ask questions that provide insight into

future business objectives and department goals; thus, the effect of losing a particular staff member can be analyzed to determine how their loss will affect the productivity of the department and, ultimately, the organization. During this review, it is also important to consider a person's willingness to lead. This question is easily answered during an employee performance review.

The 9 Box Grid is a talent management tool that maps a clear understanding of an organization's human capital strengths and opportunities by examining their performance against their potential. The outcomes of this activity can effectively uncover who are the best-fit successors, which ultimately identifies High Potential and High Performing individuals. These are what we refer to as Hi-Po's. This industry term is used for those who are most ready to lead. During the talent review phase, the 9 Box Review/Grid is the main tool that is used to assess potential and to design organizational strategic plans for the workforce. In this activity, each staff member is closely analyzed within the department and are placed in their appropriate quadrant (box). As a result of conducting the 9 Box Review/Grid activities, accurate development and retention strategies can be designed for each individual staff member.

Although most recognize that every individual has potential, not everyone has the potential to lead. By examining each type of potential an individual possesses, a development plan can be created, gaps can be closed and strengths can be leveraged. The 9 Box Review/Grid is a valuable resource that is not only a succession-planning tool for building an agile workforce. It can also be used to facilitate many workforce solution activities, from recruitment and selection to compensation evaluation and merit discussions. From a human resource management perspective, the process provides an objective way of managing organizational effectiveness by providing an analysis of the organization's human capital investment. Consequently, by conducting psychometric assessments to maximize and identify each person's potential, specific individual development plans are created to meet business objectives as well as equip employees to effectively perform their roles.

The Assess and Identify Phase, the 2nd major phase of effective talent placement includes conducting validated behavioral psychometric assessments to first and foremost identify and evaluate competency levels and learning needs for potential leaders and likewise for all employees within the organization; ensuring maximization and efficiency of the workforce. The outcomes from these assessments should be used to foster and develop human capital. Indeed, most assessments that are used to identify and assess talent are specifically designed to evaluate key identifiers related to behaviors, personality, skills and knowledge that incorporate a minimally subjective perspective. The use of such tools will provide credibility and integrity in the data that is collected for future use. Once an employee performs an assessment, the data must be reviewed and a gap analysis should be performed to identify the differences of the expected behavioral competency levels to those of the actual levels realized from the competencies that are necessary for successfully and effectively performing any given role.

By taking a review of the collective data obtained, an organization can analyze the outcomes and design workforce development and leadership programs using validated insight on their human capital competency's strengths and opportunities. By knowing the employee's strengths and opportunities, career ladder road maps can be designed, which provide learning curricula that are needed to strengthen the employee's areas for opportunity, but most importantly, to leverage their strengths to increase productivity, revenue and market share.

The third phase of implementing effective talent strategies is the Manage & Develop Talent Phase, and it is the most critical phase of the process. It is also the final major phase in building an agile workforce that is ready to lead. This phase is a strategic process for continually executing succession planning year after year. The importance of this phase is to align the development needs of the potential leader or successor with those of the organization's goals and objectives. On the basis of the results from the gap analysis and identified organizational strategic priorities, mission and vision, appropriate employee development plans should be created. As one can imagine, there are many ways to manage and develop talent. From a global talent management perspective, it is recommended to follow the 70-20-10 rule as a baseline, but one should be aware that this does not always work. The 70-20-10 rule states that 70% of learning should come from practical training and exposure, 20% should come from facilitated trainings, and 10% should come from self-directed learning and reading [9]. However, there is a new rule for modelling effective learning and development, specifically, leadership development. In 2012, Bersin by Deloitte reposted in Josh Bersin's Blog Business of Talent, new models for leadership development stating, "Over the last ten years, the leadership development "industry" has rapidly changed, and we have spent a lot of time studying this market." [10] From the research and academic studies, further information can be found discussing how leadership development and learning are now more of a blended concept. However, it is true that structured learning enables the organization to provide courses that support the processes, methodologies and mission as well as vision that the organization holds as its mantra. Furthermore; implementing consistent and continuous learning strategies enables the organization to also provide a standard level of development, which covers various core competencies as well as provides need-based training to those with specific learning objectives throughout the organization.

When reviewing research conducted by the leading Leadership Associations and HR Experts, it has been reported that most successful organizations provide learning and development following either method to encourage a competency demonstration immediately after learning. The idea is that over time, the behavior will change into a habit by performing practical tasks; likewise, attending formal training and facilitation, as well as learning from reading updated industry related material on a regular basis, could induce a craving for continuous self-development. The final outcome will produce resourceful, empowered, and engaged employees that have competencies that are aligned with the organizational business objectives to realize organizational effectiveness for

succession and will build a workforce that is agile. Furthermore, by exercising and retooling the brain with important data each time information is taught and then practiced, employees will be well equipped as a resource to effectively conduct their jobs and to forge forward as business needs change or unforeseen vacancies arise. In either case, ensuring the development provided encourages 'walking the talk' and not only 'talking the walk' to empower an employee to individually strengthen their leadership skills.

4. The results

Like any process or program, it is important to measure the effectiveness of its implementation and continued use. By doing this, the organization will be able to continuously refine processes by making necessary changes as needed. Because the main goal of implementing talent strategies is to attract, hire, develop and retain employees, key performance indicators or metrics have to be identified to measure the return on investment (ROI) and effectiveness of the processes and programs put into place.

Key performance indicators are determined on the basis of the goals and objectives that the organization or even internal departments wish to realize. The Advance Performance Institute, a world-leading independent research and consulting organization specializing in performance management and business insight states "...well-designed KPIs provide the vital navigation instruments that give us a clear understanding of current levels of performance" [11]. These goals and objectives can range from measuring productivity, turnover, days to fill, cost per hire, and quality of hire as well as examining various qualitative measures where management is surveyed about the hiring process, their staff or patient engagement/satisfaction, and even organizational effectiveness within their wards/departments or across the entire organization. In Table 1, some samples of KPIs that may assist in determining that factors may drive productivity and provide information to analyze outcomes when measuring human capital development initiatives are shown. These are merely examples, considering the characteristics of a KPI [12].

Table 1 Sample of qualitative & quantitative KPIs.

Key performance indicator	Measurement parameters
Promotions realized	% of candidates promoted
Vacancies filled	% of vacancies filled
Performance/productivity	% increase in performance
Competency measurement	% increase/change in behavioral competencies
Program effectiveness	% of candidates to successfully complete the program
Quality of program goals	Direct appraiser program feedback & survey
Gap analysis review	360 Feedback & leadership assessment re-evaluation

By embracing talent management strategies, offering internal trainings, supporting practical work development activities, and equipping current and future leaders with resources to realize their career aspirations, the organization is preparing and managing the workforce to ensure that they have a bench strength that is ready, knowledgeable, motivated, and engaged as the organization grows.

It has been stated by many that people are an organization's most valuable asset; for without manpower, products and services cannot be produced, manufactured or provided. By bridging together integrated human resource management processes, recruitment and selection, onboarding, performance management and rewards, and ultimately, leadership development programs, organizations can implement processes and programs that incorporate workforce planning activities with workforce development activities to ensure preparation for any of the organization's human capital goals.

There are many strategic talent processes that can be used; just browse the Internet on the topic of 'preparing and/or making ready human capital for optimal performance.' Change is inevitable; being prepared, knowing who is available, and being able to use human resources management strategies effectively can lead to a pathway of guaranteed organizational success, specifically within Healthcare, where the effective use of human capital is vital to patient care outcomes. Implementing Talent Management methods enables organizations to be prepared for what is ahead, both seen and unseen. Having the knowledge and know-how to attract, hire, develop and retain Hi-Po employees will prevent employing people who wander, but allow one to employ those that hold a great wealth of potential.

Implementing, integrating, and practicing strategic organizational workforce planning methods; regardless of the healthcare's organizational size, location (international or domestic), and classification (government, private, or public), embracing talent management strategies and processes will assist in building the framework and foundation organizations need to have continued success. Furthermore, by embracing the integrated concept of Talent Management organizations can ensure their workforce is prepared, ready and agile.

Conflict of interest

None to be declared.

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