Board meeting

Wednesday 19 July 2023

Talent management approach

Purpose of paper

For review

Board action required

The Board is asked to review the report and feedback on the following:

* Does the Board think the activities outlined in this paper advance the talent strategy for NICE in the way they envisaged?
* Is there anything that they feel would be a valuable addition?
* Do they have any insights from other organisations that would be useful?

Brief summary

A key deliverable of the transformation programme is to develop, implement and embed a talent management approach at NICE. This will take several years to achieve. This year involves the implementation of a number of tactical initiatives that will provide a foundation for the year which can be built on from next year onwards. The main foundational activities that are taking place this year are a refreshed appraisal process aligned to new values and behaviours and encouraging better quality objectives related to transformational activity, the introduction of career conversations, refreshing the senior succession planning processes to align better to our values, and a focus on developing and activating our leadership teams.

We will measure success of this work through staff survey results related to appraisals, career development and management confidence as well as evaluation of the new appraisal process.

Board sponsor

Helen Brown, Chief People Officer

Introduction

Talent management seeks to attract, identify, develop, engage, retain and deploy individuals who are considered particularly valuable to an organisation. To be effective, it needs to align with strategic business objectives. By managing talent strategically, organisations can build a high-performance workplace, foster a learning climate, add value to their employer brand, and improve diversity management.

Elements of talent management have taken place at NICE, but never in a co-ordinated way aligned to strategic goals. This paper provides an update on our progress so far in year 1 of developing a talent management approach.

Refreshed Values

A critical element to a successful talent management approach is setting out what is expected from our staff in order that we can meet our day to day objectives and our transformation aspirations and then measure performance and potential against that.

Feedback from staff indicated that the existing staff values (developed in 2020) and the target culture (2022) were overlapping and causing some confusion. An exercise took place in March 2023 to combine both and create a refreshed set of values and behaviours which were launched at the all staff event at the end of March.

With these values in place we are now able to use them to underpin all of the models, frameworks, methodologies and initiatives that we implement as part of our talent management approach including development, performance management, assessing and nurturing talent, and resource planning. Setting out our minimum expectation of all staff is an important foundational element to have in place.

Performance Management

With a refreshed set of values in place, we were able to redesign our appraisal process. Feedback from staff, gathered through staff surveys and the crowdsourcing activity, indicated that staff were not happy with our previous approach and did not find it useful. The result of this was that whilst 87% of staff reported that they had an appraisal in 2021/2022 only 57% of those found it useful.

We held focus groups with staff that had shown an interest in appraisal by submitting ideas on our crowdsourcing platform and used this intelligence to develop a shorter, more focussed approach which encouraged a dynamic conversation and can be updated directly onto ESR during the appraisal meeting.

The approach centres around our new values, asking staff to self assess themselves against those values prior to the appraisal meeting. It also ensures that staff and managers agree a core set of well defined, clear objectives that align specifically to the business plan and our transformation programme.

The approach is based on regular catch ups, rather than a one off meeting once a year, so the clear objectives can be discussed, modified and tracked in real time.

There is also a focus on reflecting on what additional responsibilities people undertake for example, staff network involvement or change/values champions.

In autumn managers will use the framework to conduct a career conversation with their direct reports. The purpose of this is to start to shift the culture at NICE from being focussed on your immediate role and objectives to thinking even more about your wider contribution at NICE and how your aspirations can be supported and nurtured as we grow as an organisation.

We have delivered in house training on the new approach to 44% of staff and how to set meaningful objectives to 70% of managers, receiving excellent feedback on both sessions. We will be reporting on compliance in undertaking appraisals from this summer onwards and assessing the experience of the appraisals in an evaluation during July and a pulse staff survey focussed on staff development in March 2024.

Leadership Development

Building on the management development programme in 2022/23, which was attended by 80% of managers and continues to run as a manager induction, our focus for talent management this year is on our senior leaders. This cohort are critical to leading our transformation journey and it is important they are leading and motivating teams and creating the right conditions for their teams to flourish and drive the changes and improvements required for transformation. A development programme which aims to activate this cohort was launched on 29 June 2023 and will continue throughout 2023/2024.

Using the new values as a foundation, we have developed a set of leadership competencies in collaboration with the external provider currently delivering the development programme for the ET. The competencies will be adopted by ET this summer. We intend to share the competencies with the wider leadership team to orientate them and prepare them for these to be integrated into the appraisal process from April 2024 for this cohort.

The development programme will be an immersive experience, co-created by the leaders themselves to define their learning needs and the best approach to address these. Complementing the classroom based training, which will cover values, leadership competencies and continuous improvement, leaders will receive external coaching and create development plans with their managers which will focus on internal and external stretch assignments, secondments and shadowing as action orientated opportunities to bridge any gaps in their leadership skill set identified on the programme.

Running alongside this programme a senior leaders forum has been refreshed and will bring this cohort together to discuss key organisational challenges, agree and cascade strategic messaging and provide opportunity to develop bonds by socialising together.

Succession Planning

In April 2021, NICE launched a succession planning approach based on the 9 box grid model. This enabled the ET to measure current performance of their direct reports and assess where they were heading in the future. The remuneration committee approved this model and the executive team underwent training in how to give meaningful, honest and constructive feedback ahead of the models implementation. Each ET member then conducted career conversations using the 9 box grid. These results were calibrated collectively by the Executive team in a facilitated session.

Since that exercise took place, there has been considerable movement within the ET and amongst the direct report cohort. The model itself was well received and is tried and tested. However, the language requires an update in line with our values and the ET require some refresher training. Therefore, we will be refreshing the model and undertaking the same activity that took place in 2021 this summer with the aim of developing a succession plan for the ET by the end of this year. The aim would be to roll this model out to a wider leadership cohort next year.

Building on the leadership development programme, a suite of differential development opportunities for identified talent will be scoped in Q4 this year with the aim of running a talent programme next year.

All staff development

To align with the leadership development programme, all staff at NICE will be offered mandatory development in relation to our refreshed values and an orientation of our approach to continuous improvement (Pocket CI). Providing development in these areas, which are both critical to our transformation as an organisation, will provide us will an excellent foundation to build on in subsequent years.

2-5 year Roadmap

A full talent management approach takes time to develop and in order to do this, essential building blocks need to be in place. Our focus in year one is to undertake critical tactical activities that provide a foundation which we can built on and focus on the development and potential of one specific job family, our senior leaders.

Having completed this tactical activity, our aim is to develop a 2-5 year roadmap for talent management in 2024/2025 which will include how we intend to approach elements such as knowledge and skills sharing, growing our own, job families and career pathways, managing potential, internal development programmes, skills deployment and recruitment. It will also be fully aligned to our 2-5 year EDI roadmap, so we are maximising the opportunities to use talent management as a way of building a more diverse and inclusive organisation. This roadmap will be co-created with staff and key stakeholders.

Board action required

The Board is asked to receive this paper for information and consider the following:

* 1. Does the Board think the activities outlined in this paper advance the talent strategy for NICE in the way they envisaged?
  2. Is there anything that they feel would be a valuable addition?
  3. Do they have any insights from other organisations that would be useful?

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