

Creating Leadership Bench Strength for the Future

Talent Management & Succession Planning

January 26, 2016

Strong leadership is likely the single most important driver of overall organizational performance, and well constructed talent management and succession planning systems remain critical to developing and retaining a deep bench of strong leaders.


Nowhere is the need for talent management and succession planning more pronounced than in the dynamic, complex healthcare industry, where leaders face unprecedented pressure to transform their organizations so as to meet growing demands for high quality and cost effective care.

**Best Practices in Health Leadership Talent
Management and Succession Planning**
National Center for Healthcare Leadership


Our Expert Panel



Sara White
Executive Coach



Steve Cano
Chief Pharmacy Officer
Cambridge Health Alliance



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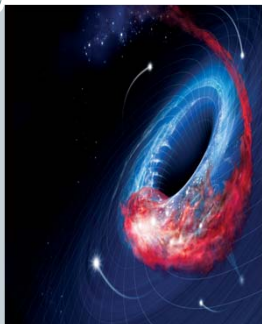
Talent Management & Succession Planning

- Talent management
 - Process to identify, manage & develop people, now & for future
- Succession planning
 - Process/plan to address critical staffing for positions crucial to organizational success



Important but Often Not Prioritized with Committed Resources

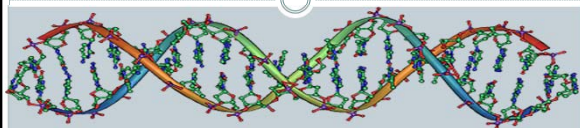
- What? / Why?
 - Historical focus on senior leadership (but changing . . .)
- How?
 - Little granular, process-based literature assistance
- Tactical resources
 - Not readily available, UNLESS your organization has committed to being a learning culture



Commitment

“THERE’S A DIFFERENCE BETWEEN INTEREST AND COMMITMENT. WHEN YOU’RE INTERESTED IN DOING SOMETHING, YOU DO IT ONLY WHEN IT’S CONVENIENT. WHEN YOU’RE COMMITTED TO SOMETHING, YOU ACCEPT NO EXCUSES; ONLY RESULTS.”
— KENNETH BLANCHARD

Cultural DNA & Values



- Continuous learning/learning organization
- Individual competency development
- Invest in leaders at all levels
- Support & nourish teamwork
- Magnetic pull to attract & retain top talent
- Build & maintain competitive advantage

Talent Philosophy: Our People Are Our Best Asset


- Recruit the best talent
- Assess capability / potential
- Retain the best
- Stretch assignments
- Individualized self-development plans
- Tight links between succession, assessment and development



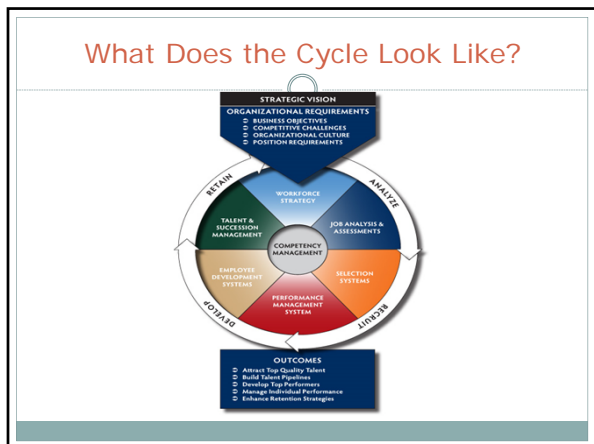
Talent Management & Succession Planning Best Practices

Baldrige Excellence Criteria

- 1.1a(3) – Senior leadership
- 5.2b(3) – Workforce engagement
- Core Values / Concepts – Focus on Success



Baldrige Excellence Framework – Health Care 2015 - 2016



Talent Management & Succession Planning Best Practices

- Leaders must communicate importance of succession planning (SP) and talent management (TM)
- Tight linkage must be created between SP / TM and organization's strategy, priorities, and projected needs
- Senior leaders must clear organizational barriers to allow for career advancement of future leaders
- Leadership competency model with competencies tied to organizational strategy and priorities needed
- Recruitment of new employees who share organizational values and have potential to develop desired competencies

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Talent Management & Succession Planning Best Practices

- Rigorous repeated assessments of those with strong leadership potential, combined with aggressive efforts to retain them
- "Stretch" job assignments for high potential individuals to create new skills and perspectives
- Highly customized and flexible professional development plans emphasizing OTJ experience, supplemented by other forms of development
- Tight linkages between SP, candidate assessment, and development planning for future leaders
- Ongoing measurement and assessment of SP and TM outcomes

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Strategic Purpose

- Top performers?
- Middle performers?
- Bottom performers?
- Who is your replacement?

Potential	Enigma	Growth Employee	Future Leader
	Dilemma	Core Employee	High Impact Performer
	Under Performer	Effective	Trusted Professional
			Performance


Create Multiple Talent Pools

- Senior leadership
- Black belt
- High potential
- Emerging leaders
- Team leaders
- Operational leaders
- Strategic leaders

Typical Process: High Potential Pool

- Identifying candidates
 - Performance
 - Self-identification/application
- Selection
 - Criteria-based review
 - New leader dialog
- Assessment
 - Mixed-level teams
 - 360 degree assessment
 - EI inventory, style profiling
- Development
 - Peer coaching
 - Individualized plan
 - Course offering menu
 - Cross functional / developmental / stretch assignments

Core Competencies



Reliably measurable, relatively enduring characteristics of a person, team or organization that predicts a measurable performance level

- Threshold
- Differentiating


Example Competency

Achievement Orientation: Concern for working well or for surpassing a standard of excellence. Standard might be prior performance, an objective measure, outperforming others, challenging established goals or unique accomplishment

1. Wants to do job well: Tries. May express frustration but does not initiate improvements
2. Creates own measures of excellence not imposed by others or focus on new ways to meet goals set by others
3. Improves performance by making specific changes to system or methods without setting specific goal
4. Sets and works to meet challenge or stretch goals or improves overall performance against baseline
5. Makes cost-benefit analyses through decisions and priorities, analyzes for business outcomes
6. Takes calculated entrepreneurial risk in the face of uncertainty to increase benefits

Transparency

- Clear, open evaluation system & process
- Public identification of high potential selection
- Shared assessment outcome based on criteria
- Open sharing of assessment experience



Mentoring, Coaching & Sponsorship

- The importance of mentoring
- The "case" for coaching
- Key elements
 - Context
 - Clarity
 - Commitment
 - "Coachability"
 - Courses of action
 - Confidentiality
 - Chemistry
- A word about sponsorship

Are There Gender Issues?



- Talent
- Demographics
- Pragmatic realities

Case Study



- Overview of health system
- Underlying principles of SP and TM
- Key elements of SP and TM

Impact & Lessons Learned

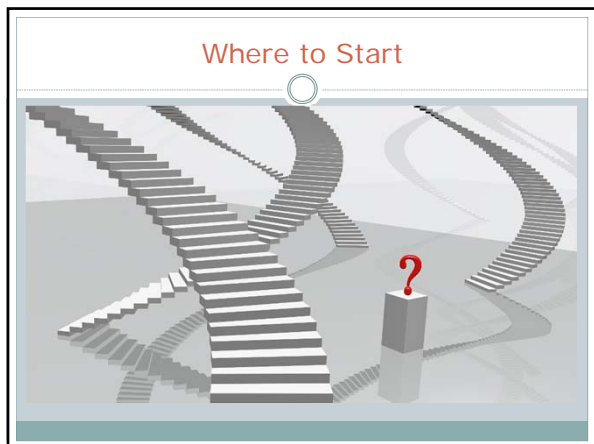
- Deeper leadership bench
- Satisfaction
- Improved retention
- Improved engagement
- Lower turnover cost
- Financial performance
- Recognition

Cambridge Health Alliance Status

- Organizational position of SP and TM
 - Creating the foundation
 - Strategic planning process completed
 - Assessment of employee / physician engagement
 - Reassessing and standardizing performance evaluation to align with strategic direction
 - Workforce programs to enhance talent development
 - Targeted training
 - Certification
 - Projects/opportunities for growth
 - CEO investment in physician leadership
 - Restructure to remove silos of knowledge or expertise to create redundancy and synergy

Cambridge Health Alliance Status

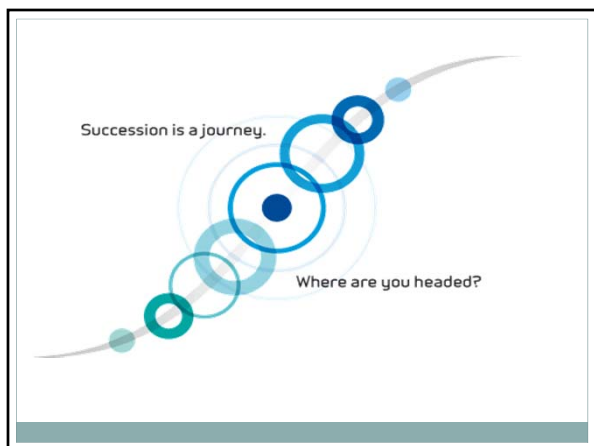
- Pharmacy position on SP and TM
 - Visionary departments can move forward even in the absence of organizational structure and guidance
 - Pharmacy leadership team was recently restructured to reflect its newly recognized enterprise status
 - Investment in SP / TM is yet another example of the importance of linkage to organizational strategy
 - Organization's interests supersede those of the department and resources are invested accordingly
 - Progress is being made in almost all of the ten "best practices" areas previously discussed



Applying the Talent Matrix

- Open talent review
- Self-assessment
- Manager assessment
- Review discussions
- Communication to employee
- Individual plan development
- Links to compensation, merit pay, tuition assistance, high profile programs, recognition

	Needs Development	Meets Expectations	Exceeds Expectations	
High	Improve in current role or reassign	Prepare for future role	High	
P O T E N T I A L	Improve in current role		Growth	
Low	Bad hire/replace	Improve in current role	Reconsider	Low
	← PERFORMANCE →			High



Strategic Clinical Leadership

Delivering the service

Setting direction

Demonstrating personal qualities

Working with others

Managing resources

Improving services

Stay tuned . . . April 26, 2016
