Implementing Talent Management in a Global Services Company

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Implementing Talent Management in a Global Services Company

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DECLARATION

This thesis is all my own work and has not been submitted for any other academic award. Michael Staunton

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ABSTRACT

This research study is focused on the field of Talent Management (TM) as part of the Portsmouth DBA programme. The study aims to help address existing gaps in the academic and practitioner knowledge around TM. TM is one of the most important areas for Human Resources Management and is also one of the key challenges for organisation and management (Thunnissen, Boselie, & Fruytier, 2013). For the practitioner the study adds the perspectives of the senior executive, line managers, and HR Practitioners. From an academic perspective the study looks at emotions, feelings, and understanding of a number of key individuals, with the intent to build a broader focus for TM that has more than a process or outcome focus. The study also looked at the roles and skills of the key stakeholders – senior executives, line managers, and HR practitioners.

The study uses a case study method to analyse the VT Group, a multinational corporation and explores the introduction of a TM programme in the Group between 2006 and 2009. The VT Group was also transforming at the time from shipbuilding to a services organisation. The approach was to use VT Group as a case study and utilise semi-structured interviews and Interpretative Phenomenological Analysis (IPA) to analyse the interview data. The aim was to gain insights into how the different individuals and stakeholder groups saw the introduction and implementation of TM. Little is known about the perspective of the stakeholder groups in terms of their perception and understanding of TM. In addition the study looked at the role and skills required from the different stakeholder groups to implement TM.

It was also important to understand TM in relation to strategic human resource management as many organisations have shifted their HR functions towards the “Ulrich” model (Ulrich, 1997), and how this related to the HR function in the case study organisation.

The findings of the study were that the concept of TM was ambiguous in its introduction and implementation and that there were multiple understandings of what Talent is, and TM was aiming to achieve. The findings were mirrored in the literature review around TM. In addition the findings pointed to the challenge of managing emotions in the organisation and the need for Emotional Intelligence skills when implementing TM and also the importance of aligning TM to the organisation strategy. It was also found that the different stakeholder groups also had very different views of TM between themselves, and that the HR function especially had broad differences in their views of TM and its implementation. From a roles and skills perspective the different stakeholder identified broad strategic role and strategic skills required and also soft skills like coaching, communication, and facilitating as well as process and project management skills.

The results of the study highlights opportunities for further research into leadership and Emotional Intelligence required in implementing TM; closer alignment of TM and business strategy; and also improved understanding of the roles and skills required of the stakeholder groups. There is an opportunity for further research in these areas.
CONTENTS

Title Page
Acknowledgments
Declaration of originality and copyright statement
Abstract
Table of Contents
List of figures
List of tables
## Contents

### CHAPTER 1: THE CONTEXT OF THIS STUDY ...................................................... 1
- **Introduction and Background** ................................................................. 1
- **Background to This Research** ................................................................. 2
- **Definition of Research Aims** ................................................................. 4
- **The Aim of the Study and Its Contribution** ........................................... 5
- **The VT Group Organisational Context** ................................................ 6
- **Talent Management and SHRM Issues** ................................................ 7
- **Summary** ............................................................................................. 13

### CHAPTER 2: VT GROUP – THE CONTEXT ................................................. 15
- **Introduction** .......................................................................................... 15
- **VT Group History - Vosper Thornycroft Shipbuilders to Services** ........... 16
- **VT Business Strategy 2002 – 2010** ....................................................... 16
- **Talent Management in VT** ................................................................... 23
- **Summary** ............................................................................................. 26

### CHAPTER 3: LITERATURE REVIEW .......................................................... 28
- **Introduction** .......................................................................................... 28
- **SHRM and Ulrich** .................................................................................. 28
- **The Relationship between HR and TM** ................................................. 32
- **What is TM?** ......................................................................................... 37
- **The Skills and Capabilities required in implementing a TM process** .......... 41
- **Summary** ............................................................................................. 50

### CHAPTER 4: RESEARCH METHODOLOGY AND DESIGN ....................... 52
- **Introduction** .......................................................................................... 52
- **Methodological Issues** .......................................................................... 52
- **Phenomenological Perspective** ............................................................. 53
- **Alternative Research Approaches** ......................................................... 55
- **Case Study as a Research Framework** .................................................... 56
- **Implementation Framework of TM in VT Group** ..................................... 57
- **The Interview Strategy** .......................................................................... 60
- **Semi-Structured Interviews** ................................................................. 61
- **The Semi-Structured Interview Approach** .............................................. 65
- **Sample and Sample Size** ...................................................................... 66
- **Data Collection and Analysis** ................................................................. 68
- **Alternative Qualitative Methods** .............................................................. 69
- **Interpretative Phenomenological Analysis (IPA)** ..................................... 70
- **Issues of Validity and Quality in IPA** ..................................................... 73
- **Summary** ............................................................................................. 74

### CHAPTER 5: RESEARCH FINDINGS AND DISCUSSION ........................... 76
- **Introduction** .......................................................................................... 76
- **Data Description and Analysis Process** ................................................. 77
- **Superordinate Themes description** ......................................................... 79
- **Mapping the TM “Territory” - Perspectives of Talent Management** .......... 84
- **Summary** ............................................................................................. 91
- **TM and HR** ........................................................................................ 92
- **Comparative Analysis across Stakeholder Groups in VT (Using the Implementation Framework of TM in VT Group in Chapter 4 Page 57)** .................. 94
- **The VT Group Organisational, Cultural and Business Case for TM** ........ 96
- **Definition of TM Organisational, Cultural and Business Case for TM** .... 99
- **Summary** ............................................................................................ 102
The Role and Skills Required of HR in VT Group TM Implementation.......................... 104
Combined HR Roles Themes ............................................................................................110
Summary of HR Roles and Skills ....................................................................................111
The Role and Skills Required of Senior Executives and Line Managers in VT Group TM
Implementation ..............................................................................................................114
Summary of Senior Executives/Line Managers’ Roles and Skills ......................................118
The “Shadow” Side of TM - The Challenges and Difficulties Experienced in
Implementing TM in VT Group ........................................................................................119
Summary ..........................................................................................................................123

CHAPTER 6: CONCLUSIONS..................................................................................................124
Introduction.........................................................................................................................124
Empirical Findings.............................................................................................................126
Recommendations for Future Research ............................................................................133
Contribution to Knowledge ..............................................................................................134
Contribution to Practice ....................................................................................................136

CHAPTER 7 PERSONAL REFLECTION..................................................................................139
Introduction.........................................................................................................................139
Reasons for Choosing the DBA ........................................................................................139
Changes During the Life of the DBA – Personal and Professional, and Motivation…..140
Challenges ........................................................................................................................145
Conclusion and Action Plan for Future and Personal Development.................................146

BIBLIOGRAPHY ..................................................................................................................147
APPENDIX 1: VT GROUP PEOPLE STRATEGY .................................................................152
APPENDIX 2: THE VT TALENT MANAGEMENT PROJECT TEAM ................................156
APPENDIX 3: TALENT MANAGEMENT LEADERSHIP PROFILE, PERFORMANCE,
AND POTENTIAL FACTORS ..................................................................................167
APPENDIX 5: VT TALENT GRID ........................................................................................172
APPENDIX 6: INDIVIDUAL DEVELOPMENT PLAN ........................................................173
APPENDIX 7: PRESENTATION OF THE TALENT MANAGEMENT STRATEGY TO VT
FLAGSHIP ....................................................................................................................174
APPENDIX 8: DEFINITIONS AND THEMES FROM EACH INTERVIEW ......................193
APPENDIX 9: EXAMPLE INTERVIEW DOCUMENT .....................................................199
APPENDIX 10: ETHICS .......................................................................................................202
List of Figures

Figure 2:1  Value Proposition for State Street
Figure 3:1  HR roles using the Ulrich Model
Figure 3:2  McKinsey 7 S Model
Figure 3:3  The Reactivity of HR in its Evolution
Figure 3:4  Evolution of Talent Management Model
Figure 3:5  Talent Management Intersects HRM, Succession Planning and Strategy
Figure 3:6  Mapping the Talent Management Territory
Figure 3:7  VT Talent Map adapted from McKinsey
Figure 4:1  Implementation Framework for VT
Figure 4:2  DBA Talent Management - Interview Questions
Tables

Table 2:1 VT Financial Performance 2005 – 2009
Table 4:1 VT group Interviewees
Table 4:2 Model and Key Words of TM
Table 5:1 Superordinate Themes - Source
Table 5:2 Superordinate Themes – Interview Quotes
Table 5:3 Mapping TM
Table 5:4 Interviewees on need for TM, Culture, and VT Business Alignment
Table 5:5 Interviewees Definitions of TM
Table 5:6 Interviewees Quotes
Table 5:7 Definitions of TM
Table 5:8 HR Role senior executive/line manager view
Table 5:9 HR Role – HR View
Table 5:10 HR Skills – senior executive/line manager view
Table 5:11 HR Skills- HR view
Table 5:12 HR Roles combined
Table 5:13 HR Skills combined
Table 5:14 Senior Executive/Line manger roles –senior executives view
Table 5:15 Senior Executive/Line manager roles line manager’s view
Table 5:16 Senior Executive/Line Management Role – HR view
Table 5:17 Senior Executive/Line Management Skills – senior executives view
Table 5:18 Senior Executive/Line Management Skills – line managers view
Table 5:19 Senior Executive/Line Management skills HR view
Table 5:20 Senior Executives/Line Managers roles summary
Table 5:21 Senior Executives/Line Management skills summary
List of Abbreviations

CEO  Chief Executive Officer
CIPD  Chartered Institute of Personnel and Development
DBA  Doctor of Business Administration
ED&SP  Executive Development & Succession Planning
GEC  General Executive Committee (re VT Group)
HR  Human Resources
HRM  Human Resources Management
IPA  Interpretive Phenomenological Analysis
RBV  Resource Based View
SHRM  Strategic Human Resources Management
CHAPTER 1: The Context of this Study
Introduction and Background

This is a study of the introduction of Talent Management programme in an organisation. Using a FTSE 250 VT Group plc., company, VT Group plc., as a case study and a series of interviews, the study explores the expectations and experiences of HR practitioners, line managers and senior executives involved in its introduction.

This thesis is organised into seven chapters.

Chapter 1 sets the scene and establishes the context and rationale for the study.

Chapter 2 describes the context of the VT Group plc. and specific business and organisation challenges that led to a changed role for HR and to the introduction of Talent Management.

Chapter 3 explores the current literature and concepts relating to the study.

Chapter 4 explains the study design and research method and discusses Interpretative Phenomenological Analysis as an approach to analyse the findings.

Chapter 5 provides and discusses the findings.

Chapter 6 summarises the findings and recommendations from the project. It outlines the contribution this study makes to the existing body of knowledge.

Chapter 7 shares a reflective view on my personal development during the DBA.

The thesis is completed by a list of references, a bibliography of related reading and a set of appendices of background information.
Background to this Research

Talent Management (TM) has been a major area of debate in business and management organisations since the “War for Talent” was introduced as concept in the late 1990s (Chambers et al., 1998). Other perspectives have been developed such as global talent management and the conceptual frameworks for TM. For example, Scullion, H., Collings, D. G., Caligiuri, P., (2010:106) define global talent management as follows:

Global talent management includes all organizational activities for the purpose of attracting, selecting, developing, and retaining the best employees in the most strategic roles (those roles necessary to achieve organizational strategic priorities) on a global scale. Global talent management takes into account the differences in both organizations global strategic priorities as well as the differences across national contexts for how talent should be managed in countries where they operate.

Taking another view Shuler, R. S., Jackson, S.E., and Tarique, I. R. et al (2011) define TM conceptually as follows:

Conceptualized broadly, global talent management refers to the use of HR actions to ensure access to needed talent by multinational enterprises competing in a global environment; it includes HR policies and practices related to planning and forecasting, obtaining, selecting, motivating, developing, evaluating, retaining employees consistent with a firm’s strategic directions while taking into account the evolving concerns of the workforce and regulatory requirements.

These definitions provide a useful starting point in showing the link from TM, to the HR function and then to the strategy of an organisation. Despite much comment and discussion especially from consultants and practitioners on TM, Collings and Mellahi (2010, p. 145) have recently stated that:
While much research has focused on what managers are (or are not) doing with regards to talent management….the underlying reasons behind why managers behave in the way they do towards talent has not received great attention in the debate. Consequently the factors which shape managers’ actions are not sufficiently understood as yet.

More recently Thunnissen, Boelie, and Fruytier, (2013) have argued that we need to develop a broader and more balanced approach to TM that takes into account the importance of context and the different ‘actors’ involved in the organisations. Their aim is to develop TM practices that will support TM in a wider range of organisations than today. Thunnissen et al. in examining the last decade of academic literature also argue the need to look at scholars’ work from academic traditions including strategic HRM, international HRM, and organisation behaviour. These different lenses have contributed to the current understanding of TM and enabled understanding of important aspects and issues in TM. The definition of talent and TM and the intended outcome and effects and talent management practices and activities are key issues. TM remains young in the academic field and lacks a base of empirical research to test the conceptual ideas.

The aim of this thesis is to examine the VT Group as a case study to add to the work that has been done on TM. TM was a key part of an organisational transformation in VT Group as the company converted itself from shipbuilding to a services-based organisation. The formal introduction of TM as a process began at VT Group in 2005 when the CEO and a newly appointed HR Director helped change the strategic and organisational direction of the company, and focused on a new people strategy to support those changes. The process was implemented from 2005 up until 2009. This is explored in more depth in Chapter 2. This first chapter will introduce the context of the study; research aims the objectives of the study; my role in VT Group; the purpose of the Doctorate in Business Administration (DBA), and some
of the issues round Strategic Human Resource Management (SHRM) and other strands of thinking around HR and the relationship to TM. These issues will be explored in depth throughout the study. The next section looks at the research aims and the role of the DBA.

**Definition of Research Aims**

**DBA Purpose Statement, Objectives and Aims of Study**

The Association of MBAs (AMBA, 2012) offers a definition of a DBA as follows:

The DBA is a Doctoral-level, research-based qualification, designed to make a contribution to the enhancement of trans-disciplinary professional practice in management, as well as a contribution to knowledge through the application and development of theoretical frameworks, methods, and techniques. A DBA places emphasis on the novel application of theory, rather than the creation and testing of theory (Association of MBAs, 2012).

This author was recruited to join VT Group plc. in 2006 in the role of Executive Development and Succession Planning Director (ED&SP) to implement a talent system that had already been provisionally designed and agreed with the General Executive Committee (GEC) of the VT Group, the management committee reporting to the Board of Directors. Although the outline principles had been agreed (a copy of the People Strategy and Talent Management process is attached in Appendices 1 and 2) the detail of the implementation had not been formulated. The author’s professional background is in Talent Management and Organisation/Learning and Development roles for multinational corporations. The author also worked on and implemented several different talent management systems. Until 2013 the author was also a Governor on the Board of Portsmouth University. The DBA brought together both professional and academic interests.
The Aim of the Study and its Contribution

The overall aim of the study is to understand more deeply, and evaluate the introduction of a TM process in the situated context of large multi-national company. The relevance of this, as Lewis and Heckman (2006, p. 139) note, is that there is “a disturbing lack of clarity regarding the definition, scope, and overall goals of talent management”. The present study seeks to help address the gap in academic and practitioner knowledge in this area. This aspect will be further developed when reviewing the literature in Chapter 3. TM can be seen as ahead of theory in the sense that it has often been developed by consultants as practitioners and has not had much focus on rigorous empirical examination that “bridges” practitioner insights into scholarship and theory development.

The contribution of this study is twofold for practitioners and academics:-

a) practitioner knowledge – the addition of the perspectives of the senior manager, line and HR managers to create an understanding of what was going on in the view of those that were participating in the implementation of TM, and who were also part of the process themselves. In VT Group, the GEC went through the complete TM process and the results of this were shared with the VT Board, to whom the CEO and GEC reported. The GEC and the next tier down in the organisation were also part of implementing the TM process. In that sense they were “in charge” of the process and also having the process applied to them.

b) academic knowledge – firstly, by examining the emotions, feelings, and understanding of the different elements of TM, and the different perspectives of a number of key individuals, it helps to build a broader view of TM. Rather than seeing TM from a process or outcome focus, the aim is to develop a deeper understanding than many practitioner studies. Secondly, this study seeks to develop some of the conceptual
thinking and complexities around SHRM and its relationship to TM, drawing on the
SHRM literature.

The VT Group Organisational Context

The introduction of TM and the organisational context of VT Group will be explored further
in Chapter 2. In summary, the drivers for its introduction in VT Group related to several
areas. Firstly, the defence industry and the market that VT Group was operating in were
changing fundamentally. The industry was becoming more competitive due to purchasing
changes in its core customer, the Ministry of Defence. There was move away from “cost plus”
pricing towards competitive tendering with organisations both inside and outside the UK, and
a drive for cost efficiencies. The focus on cost and efficiencies had previously been of low
priority to the Ministry of Defence. Partly in response to the changing market environment,
VT Group was moving from a predominantly shipbuilding company, to become mainly a
services company. Secondly, the Human Resources (HR) function was moving from a
traditional personnel management approach to a modern HR function. This change was
accelerated by the factors above and by a new CEO appointed in 2002 and the recruitment of
a new Group HR Director in 2005.

The Research Question and Objectives

The main research question for the thesis is: “What factors influenced the ways in which TM
was introduced, and implemented, in a multinational corporation” and the research objectives
are to:

- Examine how the different stakeholder groups (senior executives, line managers, and
  HR practitioners) understood and perceived TM from its introduction, purpose and
  outcomes.
Examine and establish the business, professional and personal roles, and skills implications of TM in a large multinational corporation (MNC).

**Talent Management and SHRM Issues**

TM has been conceptually problematic perhaps because it draws on different areas both within HR, covering specific areas like succession planning and management development for example, and also is part of the on-going debate around the role and theoretical positioning of SHRM itself. Garrow and Hirsch (2009) refer to research undertaken on TM (CIPD, 2006; Tansley *et al.*, 2007; and Ashridge Consulting through Lubitsch *et al.*, 2007) which give an overview of large organisations facing the “talent challenge”. As Hirsch (2009, p. 2) suggests:

> Attempts at definition tend to get confused on two fronts. Firstly, the parts of the workforce to which “talent” might apply can range from small numbers of potential senior leaders to the whole workforce. Secondly, the HR profession has extended the core ideas of attracting and developing talent into every “ing” you can think of: retaining, motivating, rewarding, and so on. So at one extreme, talent management can be taken to be the whole of HRM for the whole of the workforce which is not helpful when trying to explain a new term. Why call it talent management when it’s simply the normal proper management and development of all our people”.

Garrow and Hirsch (2009) argue for a closer “fit” to the context of the organisation, the culture, the workforce, and also the connection to the individual/organisation perspective, HR policies and the general management capability in the organisation. A closer look at TM and its implementation will be considered further in Chapter 3 covering the literature review. For the purpose of this introduction it is important to note as Garrow and Hirsch (2009) suggests that by “clarifying” TM, it can be beneficial for both the organisation and the individuals within it. By developing a clear “focus” for TM it can be turned from an abstract idea into
something that is more practical. The argument is based on the view that the point is to develop a “talent mind set” in the organisation that fits TM with the core values and purpose of the organisation. Thunnissen et al (2013) reviewed TM research published between 2001 and 2012 and concluded that while progress had been made there was still a limited amount of empirical research. TM will be explored in this study in terms of the understanding of TM and how it was introduced and perceived in VT Group across senior executives, line managers, and HR/TM practitioners. In addition the individual perspectives within those stakeholder groups are explored.

As Thunnissen et al. (2013) argue, the academic view of TM has been drawn from many angles including SHRM, international HRM, and organisational behaviour fields. The introduction and implementation of TM also provides a particular challenge for the HR function. VT Group, for example, had partly moved to the ‘Ulrich model’, (Ulrich, 1997) in 2005 in the sense of starting to creating shared services, centres of expertise, and business partner roles had begun to be developed. After being appointed in 2005, the new HR Director created central experts in reward and talent development (this latter function was the Executive Development and Succession Planning role described above). This TM role partnered the more traditional Reward Director role at the corporate centre. It should be noted that VT Group moved fully to the “Ulrich model”, creating shared service centres and formally adopting the “business partner” model and centres of excellence in 2009/10. Prior to that point, the VT Group HR function had been in effect a “hybrid” between a traditional HR structure and the new Ulrich model. In each of six businesses units there was an HR Director and a number of HR support professionals. This means that the implementation of TM in the VT Group was carried out in a “hybrid” Ulrich structure between 2005 and 2009.

There are different views of the role of the “business partner” developed from the Ulrich model (which will be explored in more detail in Chapter 3). McCracken and Heaton (2012),
using a case study model, analysed the developing role definition of the business partner and in particular the move to be strategic and devolving HR responsibilities to the line managers. An issue that was identified was whether the focus of HR professionals at a “strategic” level could, as suggested by Torrington et al. (2005, p. 731), lead to a risk that HR professionals would:

…. retreat to the strategy bunker to think great thoughts and discuss the shape of the world with like-minded people consuming endless cups of coffee while the appraisals, the selection and the communication is left to the line.

There were related concerns which identified that the HR function, by transferring the responsibility for traditional HR “activity”, like appraisals, to the line managers, could cause role confusion. This confusion could be both within the HR function itself, as well as with the line managers. McCracken and Heaton (2010, p. 185) also point out that there is:

A wide and various range of opinions and positions regarding what role the HRM function should be playing, who their main stakeholders or ‘clients’ are, and what kind of relationships they should be having with them.

While many line and HR professionals in VT Group accepted that the HR function had moved to a more strategic and integrated role with the business, at the same time, as McCracken and Heaton suggested in their work, there was ambiguity and tension with historically different and sometimes conflicting roles between the line and HR professionals. Their “business partner” concept may not sit well with the “employee advocate” role for example, but also there was conflict and confusion with the strategic role of HRM.

Focusing on the “employee advocate” issue, Francis and Keegan (2006) expressed the view that the “emergent” models of HR created a risk that the Ulrich role model had lost the
plurality of seeing a difference between the line view of business objectives and enhancing value, and the employee values. Thus the business partner model might not address the challenge for HR professionals where there are perceived to be different stakeholder interests between managers and employees. Francis and Keegan (2006) also refer in their study to CIPD research showing that the concept of the “business partners” is the one that most HR professionals found attractive along with being a “change agent”, with few seeing themselves as “administrative experts” and fewer still seeing themselves as “employee champions.”

There are also challenges to the “strategic” view of HR and Hammond (2005) argued that HR was “hated” by line managers. Hammond also recognised that HR was the corporate function with the greatest potential to be a key driver of business performance, but one that, he argued, under delivered.

There are also mixed views about the HR function and the move to being “strategic”. One definition of SHRM has been expressed by Wright and McMahan (1992, p. 298) as:

The pattern of planned human resource management (HRM) as deployments and activities intended to enable the firm to achieve its goals,

and they added,

…the domain of strategic HRM consisted of the determinants of decisions about HR practices, the composition of the human capital resource pool, the specifications of the required human resource behaviours, and the effectiveness of the decisions given various business strategies and/or competitive situations.

Wright and McMahan (2011) further argued that the focus on strategic HRM research had shifted onto HR practices rather than the human capital itself. The focus on practice can be seen in the work of Huselid (1995) on the High Performance Work System (HPWS), and the
body of research on the “black box” between HR practices and performance. Wright and McMahan (2011) see the focus on HR practices and ignoring the resource itself contrasting with the strategy literature that was focusing on attracting, motivating, developing and retaining talent, as described in McKinsey’s “War for Talent” and suggest that this agenda was taken up by CEOs, rather than the HR function and HR practitioners.

An illustration of this view of the CEO level involvement was indicated in a research report from Mitchell et al. (2012) for the Conference Board that identified the top five challenges for CEOs. These were Innovation, Human Capital, Global Political/Economic Risk Government Regulation and Global Expansion. Mitchell et al. (2012, p. 5) defined the Human Capital category as follows:

Human Capital is the second ranked critical challenge for CEOs, especially the need to develop internal talent. The three top ranked strategies (grow talent internally, improve leadership development programmes, and provide employee training and development) involve actions to develop and retain employees within a company. “Human Capital” is the number one challenge in both India and China, where shortages of highly skilled talent and inflated wages complicate the operating environment and frustrate growth plans.

Mitchell et al. (2012, p. 5) also argued that Innovation is related to Human Capital, as follows:

Of all the highest rated challenges, none is so heavily dependent upon effectively addressing Human Capital issues as Innovation. Three of the top five innovation strategies “create culture of innovation” by promoting and rewarding entrepreneurship and risk taking”; “engage in strategic alliances with customers, suppliers, and/or other business partners”; and “find, engage, and incentivize key talent for innovation”, deal
with people-orientated solutions, not technology in relation to the innovation challenge.

In the report the responsibility for Human Capital and Innovation is seen to rest with the CEO. The question then arises of the role of the HR function. Wright and McMahan argue that there is a need for SHRM research to focus on that \textit{human} resource, rather than the tools and techniques, used to build that resource. While Human Capital has been concerned in part with HR practices, the resource-based view (RBV) of the organisation has focused on the role of HR in supporting business strategy. Dunford, Snell, and Wright, (2001) argue that the RBV of the firm has a strong relationship with SHRM. Dunford \textit{et al.} (2001, p. 4) state:

Thus, given both the need to conceptually justify the value of HR and the propensity for the SHRM field to borrow concepts and theories from the broader strategy literature, the integration of the resource-based view of the firm (RBV) into the SHRM literature should surprise no one.

Dunford \textit{et al.} (2001, p. 11) further argue that:

In summary, the RBV has proven to be integral to the conceptual and theoretical development of the SHRM literature,

and that:

.. RBV has significantly and independently influenced the fields of strategy and SHRM .....More importantly, however, it has provided a theoretical bridge between these two .....By turning attention toward the internal resources, capabilities and competencies of the firm such as knowledge, learning, and dynamic capabilities, it has brought strategy researchers to inescapably face a number of issues with regard to the management of people. (Dunford \textit{et al.}, 2001, p. 28)
Some of these issues were directly relevant to VT Group. The Group had embarked on a strategic shift requiring an organisation transformation (that will be described in more detail in Chapter 2), new leadership in place to lead the transformation, and a change in the HR function that led to the building of a ‘people agenda’ to support that broader change agenda. The management agenda will be covered further in Chapter 2, particularly when examining the approach adopted by the CEO and Group HR Director in VT Group. The VT Group People Agenda is attached at Appendix 1, and 2.

Summary

1. TM has been a much debated theme in HRM theory and practice for a number of years. Many TM academic publications to date have been conceptual, and it is important that TM is seen in its organisational context. The literature has drawn on broad academic traditions from SHRM, international HRM, and organisational behaviour and there has been little empirical research on TM (Lewis & Heckmann, 2006, Thunnissen et al., 2013).

2. The aim of a DBA is to contribute to knowledge and place an emphasis on the novel application of theory, rather than the creation and testing of theory. This study as part of a DBA is practical, as well as academic in nature, and aims to contribute to academic knowledge of TM and to practitioners.

3. The introduction of TM into the VT Group provided an opportunity to look into TM in more depth in one organisation. The VT context was a strategic and organisational transformation. The aim of the study was to look at the factors that influenced the introduction of TM and how the different stakeholder groups - senior executives, line managers, and HR/TM practitioners - perceived and lived the experience of TM.
4. TM is difficult to define and is problematic for the HR function, especially in terms of the strategic agenda for HR. This research seeks to add to knowledge for academics and practitioners in terms of the role of the HR function in the implementation of TM processes, and has a particular focus on the people involved at senior manager level, line managers, as well as HR practitioners.

The next chapter will examine the organisational context of VT Group.
CHAPTER 2: VT GROUP – The Context

Introduction

The purpose of this chapter is to explain the organisational context in which the VT Group TM process was introduced and implemented between 2006 and 2009. It will be noted in the Chapter 3 that covers the literature review, that one of the key issues highlighted in the literature is that the organisation and business context in which TM is introduced is important in terms of developing it and assessing the theoretical foundation and the evidence of its success or otherwise.

The VT Group was a multinational corporation with two core businesses in the US and UK as well as operations in several other countries. The TM process was applied to senior managers across all these locations.

In examining TM it is necessary to understand the context in which TM is being introduced. By understanding the starting point and the intended outcomes it is easier to assess how it was implemented and to understand its success or failure. This chapter outlines the organisational context of the research and the introduction of the TM process in the VT Group.

The business period covered 2002 to 2010 when significant changes occurred in the external business environment of VT in terms of defence spending and the shipbuilding environment. These changes affected the VT business strategy and direction and that in its turn affected and caused the changes to the VT HR strategy including introducing Talent Management. It is also a period where the VT Group achieved high growth rates.
VT Group History - Vosper Thorneycroft Shipbuilders to Services

In 2005 at the time of the introduction of a TM process, the VT Group was involved in many areas of service provision and operated through different businesses. These were: VT Communications; VT Education and Skills; VT Services Inc.; and VT Support Services.

The organisation had grown organically over 140 years. John Thorneycroft founded a Southampton shipyard in 1869 and Herbert Vosper founded one 1871 in Portsmouth. Both companies remained independent until merging in 1966. The company was formed by a merger of Vosper Limited of Portsmouth and Thorneycroft when the company also became listed on the London Stock Exchange as Vosper Thorneycroft. The company was nationalised in the mid 1970's becoming a division of British Shipbuilders, and became a commercial company again after a management buyout in 1985.

The period during which this research was undertaken was characterised by the decline of the shipbuilding side of the business. Vosper Thorneycroft had previously begun to increase export sales, but a more significant change was the diversification of the organisation at this time into training and support services. The business was re-named VT Group in 2002 and the story of the “modernising” of VT in terms of moving towards an engineering and services group began at this time with the appointment of a new CEO in 2002.

VT Business Strategy 2002 – 2010

The new CEO appointment was a significant trigger of changes in strategy and organisation. The development of a services strategy for the group at this time was related partly to the new CEO’s previous experience. He had served as a non-executive director of VT Group, prior to becoming CEO, and his career history was to have a major bearing on his drive to
“professionalise” VT. Previously he had been a manager in Schlumberger, a Managing Director of Dowty Group, Chief Executive of Graseby, and Group Managing Director at Balfour Beatty. In general terms the CEO had a professional background with large international companies, with sophisticated people systems, and talent strategies.

In an interview with the CEO as part of this study, he recalled a discussion with a former Schlumberger colleague in 2010. They had discussed that the company's two most powerful people were the HR Director and the Finance Director. The reason for this was that HR and Finance were involved in all the key decisions of the company. This story gives an indication of the CEO’s focus on the importance of “people management”, which he championed once he became CEO of VT Group. TM was to be a key component of the people agenda in VT Group during this period.

Even before 2002, Vosper Thornycroft's leadership had already begun to develop a business strategy of diversifying to create earning streams from other services like training. In 2001 it was noted in the VT Annual Report and Accounts “the diversification strategy ….. With over 55 per cent of operating profits came from non-shipbuilding activity”. The former CEO prior to 2002 stated in the 2001 Annual Report that “Traditionally we sold ships; today we are also selling knowledge and integrated business solutions”.

This statement showed the intent to move to a broader product and “knowledge” offer outside of the core shipbuilding element of the group. In particular the idea of selling knowledge solutions pointed to a different type of capability within the company for the future. Further evidence of this trend was shown in the 2002 VT Annual Report which noted that over 80 per cent of the order book came from support services rather than shipbuilding. These secondary data indicate an acceptance that the future direction of the Group was likely to involve provision of services rather than shipbuilding activities.
The growth of VT that followed was rapid from £378 million revenue and 5,259 staff in 2001, to £1.2 billion revenue and 14,112 staff in 2008. In 2010 turnover was £1.6 billion and the Group employed over 16,000 people. These figures in Table 1 below show the growth in VT Group from 2005 to 2009 (they do not include the joint venture revenues from shipbuilding).

Table 2:1  VT Financial Performance 2005 - 2009

<table>
<thead>
<tr>
<th></th>
<th>2009 (£m)</th>
<th>2008 (£m)</th>
<th>2007 (£m)</th>
<th>2006 (£m)</th>
<th>2005 (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>1100</td>
<td>845</td>
<td>733</td>
<td>557</td>
<td>450</td>
</tr>
<tr>
<td>Profit</td>
<td>60.5</td>
<td>45.5</td>
<td>40.5</td>
<td>34.7</td>
<td>26</td>
</tr>
</tbody>
</table>

Source: VT Annual Reports and Account 2005 - 2009
NB: These figures do not include the joint venture staff and revenues

The VT Group Annual Report 2008 recorded that the:

…..transition to a pure support services business represents a major change in VT's long history and provides us with an exciting opportunity to take the group forward, and included the sentiment that,

…the next year will be one of opportunity as VT Group moves from its shipbuilding roots to become a pure services business. We believe the new focus will provide us with a more stable business with greater long-term visibility, financial flexibility, and better prospects for growth.

As indicated already, the transition of the VT Group from a shipbuilding to a defence and support services group was reflected in business performance and over the six years to 2008 the company trebled in size to £1.2 billion (this figure includes joint venture revenue). It also meant that VT was operating in a series of diversified markets including defence, support services, logistics, communications, education and training, and shipbuilding. During this period five major divisions were created in the company; VT Communications; VT Education and Skills; VT Services Inc. (the US business); VT Shipbuilding; and VT Support Services.
These businesses provided services from designing and acquiring and then operating and maintaining facilities and assets, through providing support and training to a range of diverse groups including fire fighters, teachers, apprentices, and pilots.

The CEO report in the 2008 Annual Report described the shift in the organisation that had been achieved. The CEO described the focus of the organisation as being the ability to,

manage critical assets in partnership with customers ...these long-term projects are invariably complex predominantly with an engineering focus and require practical solutions, programme and project management ...we refer to this as the VT Value Proposition.”
The Value Proposition is outlined below in Figure 1

Figure 2:1 Value Proposition for VT Group

The Value Proposition/Business Model describes the shift in the strategy along two axes. The vertical axis describes the increase required in capability and the horizontal describes the increase in customer engagement. Together these two factors made up the value proposition and also drove the people agenda to match the new strategic direction.

The growth of the company was achieved through increasing the services side of the business and in 2009 the shipbuilding side of the business was sold to generate funds to invest in the faster growing services sector for VT.

Having outlined the overall context for the organisation, this section focuses on the HRM changes during this time. An important context for the introduction of TM was the VT “People Strategy” (see Appendix 1). The CEO appointed a new Group Director of HR in 2005, as part of a strategy to achieve an important cultural shift in the organisation. Part of the change was moving from a traditional “personnel administration” approach, with little focus on organisation or people development, to a strategic people-focused and knowledge-based culture. A key issue for senior decision-makers was to build a culture to support the strategic shift of the organisation and to enact a people agenda that would support the new organisational direction. The VT Vision was defined at that time as “To be recognised as the number one international government services group”.

For VT Group, the HR Director’s aim was build a new approach to people which would be reflected in an HR strategy and then later expanded into a full organisationally integrated People Strategy. The HR Director stated in the People Strategy (see Appendix 1) that the “number one” aspiration was in terms of quality and reputation, as well as organisational size. The first area of focus was the establishment of organisational values.

The VT Values were defined in the three areas of People, Performance, and Partnering:

- Passionate about People.
- Performance Driven.
- Partnering with Customers and Suppliers.

Corporate Values for VT around People, Performance, and Partnering were launched throughout the company by the HR Director and the HR team supported by the GEC (General Executive Committee - the management board of VT) in 2005.
The resulting HR strategy (later developed into a People Strategy) for the VT Group is attached at Appendix 1. In this document six areas of improvement were identified to improve HR and people management. A series of working party/project teams consisting of line managers and HR representatives were established to define a way forward for discussion and agreement by the GEC.

The People Strategy (see Appendix 1) established clear links with the emerging business strategy of moving from shipbuilding to a business where services are dominant. An important feature of the People Strategy was the recognition that VT had become a “people” business with no other “assets” other than its people and that the way to grow the company and to be successful was to have “great” people. Historically the shipyard had been the key organisational asset and the expertise of the people had been subsumed within shipbuilding-related skills.

The People Strategy was also directed at the ambitious growth target of the organisation. An ambition for VT was to become a FTSE 100 company which would require a consistent annual growth rate. Achieving those targets required a “step change” in levels of capability, performance, innovation and creativity; therefore, in addition to the introduction of a TM process, the company also set out to implement a “coaching culture” to improve the performance of everyone “by a couple of notches” (a phrase of the CEO which became a mantra across the company).

The third value in the area of Partnering with customers and suppliers highlighted in the People Strategy also fitted well with the new strategic direction of VT. In a service business, relationships are increasingly important with suppliers and customers. VT was focused on higher-value engineering work and itself would outsource lower-level work such as basic facilities management to other organisations.
**Talent Management in VT**

The VT TM programme was launched and ran between 2006 and 2009 and the research in this study covers the period 2006 – 2009.

As already indicated, once the People Strategy had been launched the HR Director created 6 working groups made up of HR representatives and line managers on topics such as reward and management development, as well as talent management. The TM working party produced a report which was subsequently referred to, and agreed, with the GEC and the appointment of an Executive Development and Succession Planning (ED&SP) Director to implement the model was made. In effect this role was that of “Director of Talent” but in order to help embed the activity in the organisation a more descriptive title was used to introduce the new activity.

Appendix 2 – 7 contains a series of documents that made up the TM process in VT. The first document is the TM timeline which shows a map of the process that was developed and piloted within VT before being rolled out across the organisation. This process involved each manager in working with the ED&SP Director to run the process for his or her team. The process was first run with the CEO and his team and then rolled out across each of his direct reports’ own management teams. This involved around 100 people.

Appendix 3 is the Talent Pack which covers the Leadership Profile and the 5 factors which were seen to make up “Performance” and “Potential”. The Performance Factors were Leadership; Managing Change; Managing People and Performance; Project Management and Functional/Technical Competence. The Potential Factors were Drive; Intellectual Ability; Creative Thinking; Learning Agility; and Behavioural Versatility.
This document was not completed by an individual and a first “dialogue meeting” was set up between the individual and their line manager. At this point the manager’s role was to listen and input “lightly” to the document. At the same time a 360 degree feedback process was set up for each member of the team with self, peer, manager and direct report feedback and, where possible, supplier and customer feedback. The last three documents (Appendix 4, 5, 6) are the Score Sheet, Talent Grid, and the Individual Development Plan.

The scoring on the score sheet was undertaken by the Group ED&SP Director plus the individual line manager and the HR Director from each of the respective businesses. At this meeting the Talent pack, which covered leadership/career aspirations plus each individual’s personal assessment of leadership and potential, was discussed. Current and previous performance from the performance appraisal system was included, driven by the HR Director, and the results of the 360 degree report were reviewed. The line managers’ input was important because they could share the input from the first dialogue meeting with the individual.

Once the scoring was complete for each individual it was calibrated across each team with the line manager ultimately “signing off” the final distribution across the talent grid. This process would take several hours and frequently required more than one meeting. The process was completed for all the leadership teams that reported into the VT GEC. In this way a Performance/Potential grid mapping all the teams reporting to the senior management team was completed. This mapping of the management gave the GEC an overall picture of the capability of the teams below, linked to the new corporate values and challenges of the new leaders required to support the emerging business strategy. The same process was applied to the GEC themselves with the CEO and Board the recipients of the process outputs.
The results of this assessment process (talent pack plus 360 and review) to this point analysed the current position, discussed their aspirations, and linked these factors to the future organisation requirements in terms of succession planning. The next stage was to move to the development process. The results of all the assessments and discussions were distilled by the Group ED&SP Director into 3 summary points and 3 suggested learning improvement points for each individual participant. These notes formed the basis for a feedback discussion for each individual which was undertaken by the line manager which was structured as follows. First, the manager explained the person’s position on the talent grid. Second, they discussed the 360 feedback report. Third, they began the career development discussion in line with the Individual Development plan. Often the process would require two separate meetings, and frequently the Group ED&SP Director or the HR Director’s input was needed to work through and complete an effective Individual Development plan.

In October 2009, VT Group sold a 45 per cent share of the joint shipbuilding company to BAE Systems to form a joint venture company. VT Group later exited the joint venture (BVT Surface Fleet). At that point VT group had transformed into a “pure” services company and left its original roots as a shipbuilder. Listed on the London Stock Exchange and a constituent of the FTSE 250 index, the firm was officially acquired by Babcock International in July 2010. By 2009 VT turnover was almost £1.1 billion and with the acquisition by Babcock International the new company joined the FTSE 100 index in June 2010.

VT Group ceased to exist from July 2010. The company had diversified and transformed from a shipbuilding company into an organisation that provided various engineering and support services. These organisational changes had in part been driven by the creation of an HR strategy, and then a People Agenda and TM had been an important component of this change.
Summary

The VT Group was an organisation that had some very important characteristics in terms of the implementation of a TM process:

1. It was a period of rapid growth and movement from the historical roots of the company in shipbuilding and based in one location, to a service-based engineering knowledge-based business covering multiple locations. The growth of the company was not only in different skills but also in adding more people from other industries as the strategy included mergers and acquisitions, as well as organic growth. This meant that the overall headcount rose plus the addition of international businesses. This in turn created “gaps” in the organisation as senior management roles were being created both through new roles, and lack of capability of incumbents to adapt to the changing business model and evolving strategy and value proposition.

2. The strategic shift in VT Group required an organisation change that could be described as transformational. This shift was away from shipbuilding to services and also the growth in revenue, profit, and increased headcount. An additional challenge was that the additional headcount was often of people with different skills and background, for example from the nuclear industry and education and skills sector.

3. The adoption of the new strategic approach was explicitly linked to a people management and development agenda. As indicated in point 2 above the “people” challenge to support the new direction was broad in terms of culture, skills and capability.
4. There was the emergence of “new players” at the top of the organisation, recruited from outside the organisation. The CEO and the group HR Director were especially important Board member changes at this time and several members of the GEC also were recruited as others left.

5. In VT Group there was a clear definition of TM and a written policy and process. The TM process had been developed with the business representatives and adopted as part of the broader People Agenda by the GEC. In addition the TM process was integrated with the establishment of a “coaching culture” developed in parallel. The top two hundred managers were engaged in a formal coaching programme that was integrated with the TM roll out. The coaching culture was to support the introduction of the TM process by enhancing the skill sets of the senior and middle managers across VT Group.

6. As described at the chapter one the VT Group case covered global talent management activity at a strategic level and also included specific HR actions required to support TM. The rest of the study examines TM from these two perspectives.
CHAPTER 3: Literature Review

Introduction

Chapter 1 described the theoretical and practical shortcomings in the knowledge of TM, while Chapter 2 outlined the organisational context in the VT Group, which led to the introduction of a new agenda for people management, a more strategic role for the HR function in the VT Group, and the introduction of a TM process. In VT alongside the introduction of the TM process, in parallel and mutually supporting the TM process, was the introduction of a “coaching culture”. The coaching investment was part of the development of people supporting the emerging business strategy. This literature review provides a conceptual and theoretical context for the research.

The chapter examines two main areas: strategic human resource management (SHRM) including the perspectives of the RBV of the firm, and human capital management; the history and development and future perspectives of talent management, and the role of emotions in leadership. An implementation model of TM in the VT Group was also developed through the literature review and during the research process.

SHRM and Ulrich

For many HR practitioners, the work of Ulrich (1997) has been extremely important in redefining the purpose of the HR function in organisations through the popularisation of the “business partner” and “change agent” roles. In this formulation, HR roles were originally identified as follows:

- Strategic Partner
- Administrative Expert
- Employee Champion
- Change Agent
In Figure 3:1 below, these roles are described in more detail, taken from the work by Vosburgh (2007).

Over the years, Ulrich and Brockbank (2005) have further refined their model, adding leadership and strategy elements as follows:

- Employee Advocate
- Human Capital Developer
- Functional Expert
- Strategic Partner
- HR Leaders

These changes reflect the development of practitioner-orientated thinking around SHRM. A key issue for Ulrich and Brockbank (2005) is a less reactive role for HR and the advocacy of, and the aspiration for, a proactive leadership in organisations. In a further refinement, Ulrich took into account the external world outside the organisation (Ulrich, Allen, Brockbank, Younger, & Nyman, 2009). Instead of focusing on the internal roles of HR, the function is seen as working “outside in”, so that HR is facing the marketplace and looking for outcomes and capabilities, linking back into the organisation.

Figure 3:1 – HR roles using the Ulrich Model*

<table>
<thead>
<tr>
<th>Strategic Partner</th>
<th>Change Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strategic HR Planning</td>
<td>• Staffing &amp; TM</td>
</tr>
<tr>
<td>• HR as a Business Partner</td>
<td>• Organisation Design</td>
</tr>
<tr>
<td>• Culture and Image</td>
<td>• Survey Action Planning</td>
</tr>
<tr>
<td></td>
<td>• Performance Management</td>
</tr>
<tr>
<td></td>
<td>• Training and Development</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Administrative Expert</th>
<th>Employee Relations Expert</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Compensation</td>
<td>• Employee Relations</td>
</tr>
<tr>
<td>• Benefits</td>
<td>• Labour Relations</td>
</tr>
<tr>
<td>• HR Information Systems</td>
<td>• Safety and Workers’</td>
</tr>
<tr>
<td>• Compliance</td>
<td>Compensation</td>
</tr>
<tr>
<td></td>
<td>• Diversity and EEO</td>
</tr>
</tbody>
</table>

* adapted from Vosburgh (2007, p. 15).
Ulrich’s models are essentially normative, and many empirical and conceptual critiques have been made. Wright (2008) questions the status of HR as a management profession and the normative discourse where HR is reinvented into “business partners” and “internal consultants” and whether this really constitutes a new HR identity. In Wright’s view, the business partner concept can lead potentially to conflict and competition between sub-groups of HR with the “transactional” elements of HR. Wright also argues that there is a reduction in entry barriers of occupations outside HR.

In addition to the work on the role perspective of the “business partner” or “internal consultant”, Prichard (2010) looks across the “academic-practitioner” divide, and examines the experience of the HR practitioner. Pritchard (2010, p. 175) comments:

I consider “strategic partner” as a local and flexible social construction that, while framed by broader academic and occupational context, is also situated in the day-to-day work, experiences and relationships of these HR practitioners. This focus offers an alternative lens to previous empirical studies which have generally sought to understand broader challenges facing strategic partners, often looking across accounts and contexts to identify the different factors that inhibit or enhance role performance.

Ulrich’s formulation reflects a number of developments in HR theory and practice illuminated by Grubman (2004). Grubman’s historical assessment suggests that “modern” HR strategy is grounded in the work of Walker (1980). Walker defined the first strategic linked HR centred on workforce planning.

Around the same time Peters and Waterman’s (1982) “In Search of Excellence” work was being developed including the McKinsey 7 S model (see Figure 2 below). Peters and Waterman (1982) argued that organisations should be examined strategically rather than through a focus on financial measures only. They concluded that areas such as shared
values and staffing were as important as systems and strategy, and that the people side of organisations required an equal focus.

Figure 3:2 - McKinsey 7 S model

Grubman (2004) proposes a chronological link from those wider organisational strategy approaches to also embrace HR approaches, identifying three distinct periods of HR strategy development. First, in the 1980s HR strategy focused on the HR function; second, from the early 1990s the inclusion of an organisational capability focus examining culture and competencies linked to business objectives. Third, from 2000 a focus on HR business related outcomes aligned with business strategy outcomes. Grubman contends that each of those shifts in HR theory development represents a growth in HR thinking, but each development is best understood as an addition rather than a replacement of the previous HR thinking. He highlights how each shift in models of HR is driven by changes in the business environment. Therefore the HR profession is expected to operate simultaneously on all three levels: as a
function, as an “architect” of organisation capability and as an influencer on business outcomes.

Waterman (1982), Lawler (1992), Hamel and Prahalad (1994), Pfeffer (1998), and more recently Gratton (2000&2007) are examples of the change in thinking around organisations and the role of people in organisations. These authors, in looking at organisational change, recognised the key role of people as a source of value. Hence “people” form a key resource when analysing organisations, and so the question of people as a “resource” needs to be included in developing of strategic thinking. Interestingly, the role of HR is rarely defined in depth when looking at these new perspectives of the organisation.

However, recognition of the need to change, or at least review, the HR function, is a theme that has been covered in contributions from Bodreau and Ramstad (2005), and Vosburgh (2008), as well as the work previously mentioned by Ulrich.

The Relationship between HR and TM

The positioning of TM within organisational responsibilities reflects the lack of consensus about its purpose and nature. While the work done on the “War for Talent” by McKinsey (Michaels et al., 2001) positioned TM as the responsibility of senior management and Boards, other writers place TM within the HR function. Vosburgh (2008) for example, making use of Ulrich’s (1997) typology, argued for a strategic change orientated focus of HR in addition to the transactional (operational and reactive) features of the role. For Vosburgh, TM represents a potential “inflection” point for HR, enabling a more strategic and proactive direction achieved through a form of “internal consultancy”.

Vosburgh (2008) also takes an historical view of the HR function from pre 1900 to 2010 where he examines HR names related to changing business realities. Figure 3 below has summarised the changes in HR from 1980 – 2010. From its beginning in welfare and
industrial relations, by the 1980s the function was beginning to become designated the HR function. Vosburgh describes the “reactivity” of HR in that the business changes have been the driver of change. However, in the current and future picture, Vosburgh sees HR becoming a leader in a new role which is that of “Internal Consultant”, which is driving change and in particular the talent agenda in organisations.

In defining the roles and accountabilities of the modern HR function in Figure 3 below, Vosburgh traces the historical development of the HR function from 1980 – 2010. He links the changes in the business realities to the name changes in HR and the changing issues that HR deals with as a function.
In a context of an increasingly global economy and e-enabled technology, Vosburgh advocates TM and internal consulting capabilities within the HR profession. In this scenario the HR function adopts a proactive leading role in the organisation, rather than reacting to organisation and business situations.

An alternative perspective in the debate about the relationship between TM responsibilities of the HR function comes from Boudreau and Ramstad (2005) who argue that there are three “markets” for organisational success – finance, sales, and people. They contend that within the finance and sales functions, professional practice has become a “decision science”, defined as a body of knowledge with tools and analytic approaches that can be applied by those inside and outside the subject area.

However, Boudreau and Ramstad (2005) suggest that such a body of knowledge does not yet exist for the HR profession, although “talentship” as a concept embraces people aspects of organisational success and can be seen as a “decision science” that reflects the stewardship of the resource of employee talents (Boudreau & Ramstad, 2005, p. 20). In this way they
promote TM as a decision science that has the potential to drive strategic organisational change and create tools used by HR practitioners as well as those outside of the HR profession. Boudreau and Ramstad (2005) argue therefore that TM offers the opportunity to create a new role of equal status to finance and marketing. These normative approaches project TM as a strategic specialised and objective set of actions and decisions, but the next section highlights other perspectives.

Cheese, Thomas, and Craig (2008, p. 82) proposes that TM and HR is part of an unfinished evolution in the thinking about HR and TM. They argue:

HR is not talent management alone, nor is talent management only HR. HR is an enabler of many processes, but talent management is much more pervasive and requires engagement of the whole organisation and the notion of the talent mind set.

Cheese et al. (2008) also identify a parallel between the development of TM and the HR function and that of quality management and IT. They argue that both IT and quality were initially control functions and over time operational responsibility for quality and data systems technology moved closer to managers and individuals in the organisation itself. Hence, quality became pervasive throughout the organisation and data became the responsibility of everyone in the organisation. The same evolution, it is argued, can happen with TM.

Cheese et al. (2008, p. 85) state:

With talent multiplication, talent is viewed as a strategic asset and an integral component of business strategy. This approach, as we have already explored, begins with a pervasive talent mind-set and culture driven by top leadership, top-down understanding of a human capital strategy required to support business strategy, and understanding of the value linkages. Key talent needs are defined at a competency level, and this underpins the close integration between all the talent discovery,

35
development and deployment processes. Employee value propositions are tailored and targeted with a clear understanding of the needs of the different segments of the workforce. HR supports consistent processes across the organisation, but is also able to support a range of working arrangements and total rewards programme. Outcome and value measures associated with workforce performance are understood, while direct investments in talent and associated key performance indicators are tracked across the organisation.

Figure 3:4 - Evolution of Talent Management Models *

* Cheese et al. (2008, p. 84)

Cheese et al. (2008) recognise that most organisations currently are at the “People Development” stage and that to shift to the “Talent Multiplication” stage will involve aligning the business strategy and TM activities, integration of all TM activities, adding value by managing talent efficiently, and shift responsibility from the HR function and get the entire organisation involved in “multiplying” talent.
What is TM?

As has been discussed, one of the issues is that TM is not defined consistently and can be interpreted differently. The CIPD (2006), created a broad definition of TM as a system or process as follows:

The systematic attraction, identification, development, engagement/retention and deployment of those individuals with high potential who are of particular value to an organisation.


In a later research paper, the CIPD created a generic definition of talented people as follows:

Talent consists of those individuals who can make a difference to organisational performance, either through their immediate contribution or in the longer term by demonstrating the highest levels of performance.


The importance of defining “talent” was noted in the latter CIPD report (2007) as being that:

It became clear that – at whatever level – a definition of what is meant by talent is critical to the success of any strategy, which is put in place.

CIPD (2007, p. 5).

The report went on to add that one of the findings through interviewing several organisations was:

.. it was crucial to identify what the organisation means by talent and that this meaning fits its particular needs and circumstances. It is the starting point for developing a coherent talent management strategy.

CIPD (2007, p. 10).
As part of the findings, the report argued that identifying potential, identifying the characteristics of talent, developing and communicating common understanding of what is meant by talent, linked to common understanding of the importance of developing a shared organisational language for talent management activities, were important factors. The concept of “meaning”, especially at an organisational level, was referenced as important (CIPD, 2007, p. 10).

A further aspect of the report findings was that:

The extent to which the term “talent” is used and communicated in policies and practice is a critical factor in developing shared organisational understandings of what is recognised as talent.

(CIPD, 2007, p. 8).

Regardless of whether there is an explicit TM system in place formally, in effect all organisations have one by default in terms of how talented individuals are perceived as being dealt with. As Heinen and O’Neill (2004, p. 68) comment:

Talent management is a set of interrelated activities that identify, attract, integrate, develop, motivate and retain talented individuals. Every organisation has a talent management system whether it is by default or design.

In a survey from practitioners, of 51 per cent of HR professionals who undertook talent management activities only 20 per cent of them operated with a formal definition of talent management (CIPD, 2006). This may indicate that the TM is not often clearly defined in organisations, even in those that are implementing TM in some form.
A further aspect to consider in TM is how the individual “sees” the talent process or activity in their organisation. Gratton and Ghoshal (2003) argue that there is a relatively new ethos of the “volunteer” employee. This builds on previous work of commentators like Drucker (1999, p. 135) who argued that:

The most valuable assets of a 20th-century company were its production equipment.
The most valuable asset of a 21st-century institution, whether business or non-business, will be its knowledge workers and their productivity.

Drucker had invented the term “knowledge worker” in 1959. Later, Gratton and Ghoshal (2003) argue that talented employees are “mobile investors” in their own intellectual, social, and emotional capital requiring investment in their own talent so that their material value is enhanced. There is a focus here on the individual which may not always be reflected in TM systems and approaches, which reflects in the changing psychological contract that organisations have with talented individuals.

TM in the Literature

Lewis and Heckmann (2006) identify three streams of thought in the literature relating to TM. First, TM is portrayed as underpinning a rebranding of HR rather than being something fundamentally different (see for example, Hirsh, 2009). Second, TM is conceptualised as including the creation of “talent pools” and managing “talent flows” through the organisation (see for example, Capelli, 2008). The third stream in the literature argues that TM involves the identification and management of talented people (high potentials) throughout the organisation. Each of these is now considered in more detail.
Hirsh (2009, p. 2), who represents the first perspective of rebranding HR, argues that the term “talent management” has often been defined as covering HR activity. Hirsh advocates five action areas for a TM strategy. First, there should be a focus on people or jobs that might put the business at risk if they do not have attention placed on them as well as on-going development of the whole workforce. Second, a “two way” focus on individual performance and development that is also integrated with organisation-wide talent and succession planning processes. Third, a collective organisation-wide acceptance by managers of their responsibility for identifying and developing talent, in order to build “talent pipelines” is needed. Fourth, “active” career development processes that extend beyond a short burst of skills development and coaching are required. Fifth, in addition, sustained attention to organisation-wide development is needed.

Capelli (2008) provides an example of the literature that focuses on talent pools and managing people through the organisation. He advocates a model of supply chain management, in effect a “talent-on-demand” framework. This conceptualisation focuses on the way employees move through jobs and experiences within the organisation and the key issue for TM is to balance supply and demand, utilising four mechanisms. Two of those are demand management processes, involving analysis of “talent requirements” and taking action to meet external recruitment, or by creating talent pools, which are intended to be a flexible source of talent, for the organisation to utilise. The other two mechanisms focus on the “supply side”, to improve the “return on investment” by getting more value from the talented by deploying them to special projects and maintaining links with talented people who may leave the organisation so that they may one day return.

Micheals et al. (2001) is an example of the third approach to TM which focuses on succession management issues. Another example is from Hay Group in their paper “Filling their shoes – Developing the next generation of leaders”, which is indicative of this approach which focuses on organisation strategy and the way it can be aligned to succession planning.
Notwithstanding the differences in approach, there are a number of commonalities in the TM literature, which Collings and Mellahi (2009) identify as:

- a systemic identification of key positions in the organisation
- a development of a talent pool of high performers and high potential
- a differentiated HR architecture to facilitate the filling of these key positions

Given that there are variations in how TM is defined and viewed, the role and skills of the HR function become important. The HR function needs to understand the business context and adapt and shape the TM process or strategy to fit that context.

The Skills and Capabilities required in implementing a TM process

Lawson et al. (2005) produced a report based on a European McKinsey consulting survey and argue that HR staff in most organisations lack the skills and capabilities required for a “business partner” role. Guthridge et al. (2006) also assert that “personnel” and trade union/industrial relations concerns remain dominant for HR, and they lacked the skills and capabilities to link talent management to the business strategy. In addition, “silo thinking” is identified (see for example, Lawson, 2005) as hindering “talent mobility” across the organisation, limiting the creation of social networks and knowledge sharing which form part of the successful implementation of TM.
The lack of consensus about the nature and purpose of TM and the difficulties described around HR skills and capabilities may go some way to explain why, from a practitioner perspective, little progress has been achieved in TM since the introduction of the “War for Talent” debate. From a theoretical point of view, the area of TM is under-conceptualised and a significant degree of theoretical advancement is required (Collings & Mellahi, 2009).

Recently, Garavan, Carberry, and Rock, (2012) referred to TM from a development point of view, referencing the work of Gladwell (2010) who argued that talent is equal to 10 years or 10,000 hours invested in a specific field. Garavan et al. (2012, p. 6) developed a definition of talent development as follows:

Talent development focuses on the planning, selection, implementation strategies for the entire talent pool to ensure that the organisation has both the current and future supply of talent to meet strategic objectives and that development activities are aligned with organisational and talent management processes.

Indeed, Garavan et al. (2012) point out that there are relatively few academic papers that focus primarily on talent development and that there is little research on global talent development issues. Similarly, Clutterbuck (2005) argues that TM is about internal development with a focus on the role of development and succession planning in organisations. He suggests that the integration of succession planning with both a coaching and mentoring approach is an inevitable outcome of the modern organisation’s need to manage its talent pool in a way that more realistically reflects the dynamics of its workforce and its markets. In this way, Clutterbuck gives a development focus to talent management by focusing on a limited number of elements rather than the broad range of HR activity previously described.
In contrast, Collins (2001) also focused on the people agenda arguing that, rather than getting the business strategy right, the focus should be on getting what he called the “right” people in the company. He changed the mantra from “people are our greatest asset” to “the right people are our greatest asset”. From a TM perspective, Collins looks to succession planning with a focus on external rather than an internal development strategy.

As pointed out by Lubitsch, Devine, and Glanfield, (2007), TM is difficult to define and it is also linked with organisational and HR theories of management. One view is that TM is related to all the HR functions and adds little value and is “old wine in new bottles” (Chuai, Preece, & Iles, 2008) or alternatively it is bringing a new perspective that enhances and adds value beyond the traditional parts of HR. Chuai *et al.*, (2008) also have developed a useful framework around TM using the idea of exclusive-people (focusing on high performing, high potential) and exclusive-positions (focusing on key positions) and two other perspectives being inclusive-people (organisation wide) and social capital (taking account of networks and relationships as well as human capital). The two former approaches are more HR focused with the latter two possibly taking a taking a broader organisational position.

How HR and TM interlink is important for the positioning of both TM activity and the HR function place and role within the organisation. Below is a useful diagram developed by Lubitsch *et al* (2007) that helps explain how TM and HR intersect.
Lubitsch et al. (2007) have developed a model (see figure 5 above) that shows the linkages of TM to HR management as a key area of focus for the function. Lubitsch et al. reject the idea of “10 steps” or “top principles or/concepts” that some authors propose in the TM field. TM is described as covering areas including recruitment, diversity, retention, career management, developing and rewarding, succession planning and encompassing all these areas. More importantly, Lubitsch refers to the connection that TM has to strategy, culture, HR processes, and business measurement.

As previous commentators have suggested, the concept of TM is not a clear one, and Lubitsch et al. (2007) have attempted to describe how the TM “territory” might look from taking different perspectives. Figure 6 below illustrates the different perspectives and different approaches to talent management. They comment that while it is possible to hold several
perspectives, some do not fit well together and this could result in ambiguous or conflicting messages. All of these areas could be considered separate strands of an HR function or areas of responsibility or sub departments of HR. In this sense, TM has become a euphemism or almost a “catch all” for all of the HR function, which can be seen as hindering the development of coherent thinking around approaches to TM.
Figure 3:6 - Mapping Talent Management Territory*

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Core Belief</th>
<th>Recruitment &amp; Selection</th>
<th>Retention</th>
<th>Reward</th>
<th>Succession Planning</th>
<th>Development Approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process</td>
<td>Include all processes to optimise people</td>
<td>Competence based consistent approach.</td>
<td>Good on processes such as WLB &amp; intrinsic factors that make people feel they belong</td>
<td>Calculated according to performance review and some element of potential</td>
<td>Routinely review process based on performance review process</td>
<td>PDPs and developmental reviews as part of performance management. Maybe some individual interventions.</td>
</tr>
<tr>
<td>Cultural</td>
<td>Belief that talent is needed for success</td>
<td>Look for raw talent. Allow introductions from in-house</td>
<td>Allow people the freedom to demonstrate their talent, and to succeed and fail.</td>
<td>Flexible package according to individual needs.</td>
<td>Develop in-house if possible. If not look outside.</td>
<td>Individuals negotiate their own development paths. Coaching and mentoring are standard.</td>
</tr>
<tr>
<td>Competitive</td>
<td>Keep talent away from competition</td>
<td>Pay the best so you can attract and poach the competition</td>
<td>Good people like to work with good people. Aim to be an employer of choice</td>
<td>Offer more than the competition. If people leave it won’t be for a better reward package.</td>
<td>Geared towards retention – letting people know what their targets jobs are.</td>
<td>Both planned and opportunistic approaches adopted. Mentors used to build loyalty.</td>
</tr>
<tr>
<td>Developmental</td>
<td>Accelerate the development of high potentials</td>
<td>Ideally only recruit at entry point and then develop.</td>
<td>Clear developmental paths and schemes to lock high potential into career paths</td>
<td>Increments based on development as well as package.</td>
<td>Identified groups will be developed for each level of the organisation</td>
<td>Both planned and opportunistic.</td>
</tr>
<tr>
<td>HR Planning</td>
<td>Right people in the right jobs at the right time</td>
<td>Target areas of shortage across the company. Numbers and quotas approach.</td>
<td>Turnover expected, monitored, and accounted in plans.</td>
<td>Clear salary scales and structure.</td>
<td>Detailed in-house mappings for individuals</td>
<td>Planned cycles according to business needs</td>
</tr>
</tbody>
</table>

*Lubitsch et al. (2007), Talent management – a strategic imperative, Ashridge Consulting Ltd (p. 15)
The work of the McKinsey consultancy organisation provides a useful perspective on TM from a time perspective, as their work has followed the historical development of TM since the 1990s. From Chambers et al. (1997) creating the concept, the paradigm of TM was further developed by other work from McKinsey. Guthridge et al. (2008) expanded the concept of talent from focusing on the top performers to look at the entire workforce with a series of value propositions for each part of the organisation.

Originally, in 1997 the concept of TM was based in part on the imminent shortage of executive talent due to the looming retirement of the “baby boomers” generation. A decade later, Guthridge developed thinking on TM further, to include categories on high potential and specialists, middle management, front line management and employees, and indirect workforce, so the concept is no longer limited to “top talent”. Figure 7 below illustrates this approach, using an adapted version from a presentation to the VT Group Board taken from Staunton (2008).
Emotions and Leadership

In addition to the implementation of TM as a process, one area that was raised in the interview process during this study was the “emotional” element involved in implementing TM. Emotions are a key element in organisational life, as Mosad and Hytter (2012) recently argued, and that emotional issues, particularly negative emotions, have been neglected in organisational studies. Mosad and Hytter (2012) reference Kets De Vries (1994) who argues that there is a fine line between leaders being inspirational to turning to destructive behaviours.

Brotheridge and Raymond (2008, p. 114) refer to the limitations in the concept of the “rational” manager as follows:
Although managers are increasingly expected to manage their own emotions and those of their employees, vestiges of the traditional view of the “rational manager” still exist in contemporary lore. The resulting ambiguity in the rules of emotional expression places managers in an emotional grey zone that is difficult to navigate. Managers must also be able to deal with emotional behaviour of others, i.e., become emotion managers. Given the increasing prevalence of organizational change and negative emotions frequently associated with it, managers need to role model appropriate emotional responses to change. Their skilful emotion management may generate a positive emotional climate, which in turn, can influence organisational outcomes.

This aspect will be explored further in the next chapter when looking at research design and methodology. Interpretive Phenomenological Analysis (IPA) is a form of qualitative enquiry that will be discussed in the next chapter. It is worth noting here that Smith, Flowers, and Larkin (2009, p. 200) comment:

Indeed, alongside identity development, emotional experience is one of the strongest prevailing themes in the IPA literature.

Towards a Broader Definition of TM

There is not a clear definition of TM and Ashley and Morton (2005) proposed that it is difficult to get a consistent or concise definition. They suggested that by linking TM to a business strategy that TM will change as strategic priorities change. Thus start-up businesses might require more creative talent than a long-established business.

More recently, Thunnissen, Boselie, and Fruytier (2013) and Tansley, Kirk, and Tietze (2013) have proposed and discussed broader definitions of TM. Thunnissen et al. (2013) propose a broader and more balanced approach to TM. Their argument is for a multi-level, multi-value
approach to TM at three levels – individual, organisational and societal. The non-economic value of TM as well as the societal value of TM is, they see as a new area for the academic field of TM. With this argument TM also has to take account of the preferences and needs of individual employees, as well as society, and for individual and society needs to be equivalent to organisational objectives. Moral and social values of TM are also to be addressed at the three levels of individual, organisation, and society in this view. In terms of addressing talented individuals Ward and Jacobsen (2011) add an additional point around the need to take into account each talented individual’s preferences and values rather than trying to “do” the process to them.

Summary

In the practitioner literature there are many different views of organisational and HR strategy and TM is portrayed as an integral part of both. There is a lack of consensus about the role of HR with regard to TM. This chapter is not to provide an in-depth assessment of organisational or HR approaches but rather to identify these areas as key topics to discuss as part of a case study of VT Group. Ashton and Moore (2005) outline the difficulty in definition, but equally Tansley et al.(2013) ask the question of whether it matters given the need for TM to be context based. However, it is also clear that the organisations need to have some definition of what TM is and what system is being applied or put in place.

There is a wide range of practitioner “offerings” both about HR and TM and there is a lack of rigorous academic assessment in the actual implementation and application of these approaches in organisations. This is where the case study on the TM research approach about applying a TM process in an organisation like VT will attempt to add value. Lewis and Heckman (2006, p 139) summarise the position as:
…a disturbing lack of clarity regarding the definition, scope and overall goals of talent management.

There is a gap in the literature and in academic knowledge about how the concept of TM is understood and perceived by the individuals or “social actors” in specific organisation contexts. This study focuses on the impact and response of individuals and the role and skills of the HR profession within a case study organisation. This researcher’s assumptions are:

- that the perceptions and understanding of the selected individuals in the organisation can be understood and can be taken account of to help understanding of the challenges of introducing a TM process.

- that there are different hierarchical functions (HR and senior and line functions) that need to be taken into account in the introduction and roll out of a TM process which could make them more successful and effective.

One area that emerged during the study that was not raised in the literature review was the role of emotions in managers; that was revealed during the interviews by one of the line managers and one of the HR practitioners. The approach by practitioners and academics is to see TM as a process that can affect the individual and the organisation but there is an assumption that the “social actors” are rational and value free. What emerged in two of the interviews particularly, was an element of human emotions affecting the way the process was perceived and in terms of how it operated in the VT Group.

The next chapter examines the design and methodology of the research study.
CHAPTER 4: Research Methodology and Design

Introduction

This Chapter explains the objectives, methodology, data gathering plan and the method and data analysis used to explore the research question and research objectives and evaluate the research process.

The main research question addressed by the research is:

What factors influence the ways in which TM was introduced and implemented, in a multi-national corporation (MNC).

The research objectives are to:

- Examine how the different stakeholder groups (senior executives, line managers, and HR practitioners) understand and perceive TM from its introduction, purpose, and outcomes.

- Examine and establish the business, professional and personal roles and skills implications of implementing TM in a large MNC organisation.

Methodological Issues

Interpretivism

An interpretivist epistemology position is used in this research as Saunders, Lewis and Thornhill (1997, p. 106) argue “social actors” play a part on the stage of human life so that it is necessary “for the researcher to understand differences between humans in our role as social actors”. This means the social roles and others actions are interpreted in accordance with the meanings that the individuals give these roles. The research set out to “enter the
social world of the research subjects and understand their world from their point of view” (Saunders et al., 1997, p. 107). Following Remenyi et al., (1998, p. 3) the research explores “the details of the situation to understand or perhaps the reality behind them”.

In line with the interpretivists position, an inductive and qualitative approach is adopted in the study, examining how people in a certain environment - which in this case TM is being implemented in the VT Group - make sense of their experiences. As Anderson (2004, p. 13) suggests, an inductive approach – where existing theories may not reflect the true perceptions and interpretations of people – may be an appropriate strategy.

This study in particular focuses on examining the attitudes, perceptions, feelings, and influences on individuals of the TM processes that were enacted. In addition, the role of the senior managers, line managers, and HR practitioners was also explored in depth, in terms of the roles and skills associated to successfully implement TM in the organisation. Inductive enquiry underpinned analysis of qualitative interview data. This was a study with a focus on inductive enquiry using the interviews and internal VT Group documentation. This was an exploratory study as a means of finding out “what is happening, to seek new insights, to ask questions and to assess phenomena in a new light”, Robson (2002, p. 59).

**Phenomenological Perspective**

Phenomenology is the philosophical approach to the study of experience and it focuses on lived experience of individuals. This approach is based on philosophy and it studies conscious awareness of the world as experienced from the subjective or first person point of view. Smith et al. (2009, p. 11) suggest:
There are many different emphases and interests among phenomenologists, but they have all tended to share a particular interest in thinking about what the experience of being human being is like, in all of its various aspects, but especially in terms of things which matter to us and which constitute our lived world.

This phenomenological tradition is critical of claims that external causal processes operate to generate social reality. Smith et al. (2009, p. 21), in reviewing the work of several writers (Husserl, Heidegger, Merleau-Ponty, and Sartre), suggest that:

…through the work of these writers, we have come to see that the complex understanding of “experience” invokes a lived process, an unfurling of perspectives and meanings, which are unique to the person embodied and situated relationship to the world. In IPA research, our attempts to understand other people’s relationships to the world are interpretative, and will focus their attempts to make meanings out of their activities and to the things that are happening to them.

As Miles and Hubermann (1994, p. 8) argue on phenomenologists:

They do not, for example, use coding, but assume that though continued readings of the source material and through vigilance over one’s presuppositions, one can reach the “Lebenswelt” of the informant, capturing the essence of an account – what is constant in a person’s life across its manifold variations. This approach does not lead to uncovering laws, but rather to a “practical understanding” of meaning and actions.

IPA and its application to this research will be examined in more detail later in this chapter.
Alternative Research Approaches

A number of alternative research strategies were considered post the research proposal stage. Initially the early thinking on the research strategy focused on a cross sectional research approach using a web based survey model and supplemented by some interviews and also examining the secondary data. The reason for not taking this route was that the issue of sacrificing “depth for breadth”. As discussed earlier the aim of the research was to understand people’s motivations and perceptions of a process so that there was a need to get a personal viewpoint from each interviewee.

Another approach would be that of comparative research strategy although in the example of VT Group although there were different countries involved there was not enough data to drive a comparative approach. However there were elements in the study that drew on the comparisons between groups. The research examined talent management, and the skills and capabilities in three core group’s senior executive, line manager, and talent/HR practitioners, and compared these.

A third approach also considered at the early stage of developing the thesis was action research. The approach of diagnosing; action planning; taking action; evaluating; specifying learning; and going back to the diagnosis and repeating over for several cycles was originally a likely option. After the change of ownership in VT group the TM process was completely changed so the action research approach was no longer possible.

The interview approach was chosen because of the “in depth” analysis it provides and also the semi structured interview allows the exploration of existing and new themes. In addition the survey would not have been able to achieve the iterative dialogue needed for this thesis as each interview was a separate event.
Case Study as a Research Framework

This research adopts the case study as a key part of the research strategy. Yin (2003) describes other research strategies that could be seen as alternatives to case studies - experiments, surveys, archival analysis, history approaches. Each of these strategies has advantages or disadvantages depending on: the type of research question, the control the investigator has over behavioural events, and the focus on contemporary as opposed to historical phenomena. These alternative strategies were not chosen as appropriate for the research questions. A key part of the research strategy was to answer “how” and “why” questions that were “explanatory” rather than asking ‘how many’ and ‘how much’ type questions that could not have been covered in a survey. In addition, the research study in the VT Group was set in a contemporary situation, in which the investigator had no control.

Yin (2003, p. 13) describes the scope of a case study as:

..an empirical inquiry that investigates contemporary phenomena within its real life context – especially when the boundaries between the phenomena and the context are not clearly evident.

This was important in this research study as the aim was to examine the implementation of a TM system in great depth in one organisation. Case study research can be completed in different ways and this is especially so with interpretative case studies. As Cavaye (1996, 227) argues:

Case research can be carried out taking a positivist or an interpretative stance, can take a deductive or an inductive approach, can use qualitative and quantitative methods, can investigate one or multiple cases; it can be highly structured, positivist, deductive
investigation of multiple cases; it can also be unstructured, interpretive, inductive investigation of one case; lastly, it can be anything in between these two extremes in almost any combination.

There can also be issues which Yin (2003, p. 10) describes as “prejudice” when comparing case studies with surveys or experiments, for example. There are concerns over a lack of rigour in case study research, being unable to make scientific generalisations, and that the case study can take too long and the results are unreadable. Yin explains these can be overcome by using a clear methodology and a systemic approach, understanding that case studies can be generalised to theoretical propositions, and designing and writing up the case study appropriately.

Implementation Framework of TM in VT Group

As part of the research process an implementation framework was developed to model the different roles of the three stakeholder groups. There is an assumption that the focus of TM is to introduce an integrated model of TM driven as part of the business and human resources strategy. The talent system is driven by three stakeholders:

- Executive (including the Board of Directors)
- Line management
- Human Resources and TM practitioners

Silzer and Dowell (2010) give a good overview of these three roles as follows. The executive role covers the CEO setting the tone and “stewardship” behaviour for the other leaders in the organisation. This group is represented by the senior executives in this study. In VT Group the Board had shown interest in knowing about strategic talent at different levels in the organisation below the GEC. For line management the role is one of accountability and how
they bring the context around TM to life on a day-to-day basis. The HR and talent management function is an “enabler” role and includes in the role subject matter expert and consultation to address talent needs in the organisation. The line manager remains responsible for the final decisions of hiring, promotion, development, and retention.

The VT context was explored in Chapter 2 and was focused on the transformation to services from shipbuilding. The framework for VT Group in Figure 4.1 below, was developed by the author initially from the literature review and enhanced with input from the interviews during the research. The framework shows perspectives for the stakeholder groups and how their roles were delineated in the implementation of the TM in VT. The framework uses the Silzer and Dowell (2010) model to show the role of senior executives and also considers the roles of the line managers and HR/TD practitioners. The HR role encompasses the definition of the people agenda and the tools and processes required of TM.

Using the Lubitsch talent perspective model from Chapter 3 of this thesis (see page 45) the interview data was reviewed against the perspectives of Process, Culture, Competitive Advantage, and HR Planning. Two additional areas of Strategic Change and Emotional Issues were added during the interview process. This will be described in the next chapter.
Figure 4:1 Implementation Framework for TM in VT Group

Organisational Context

Talent Management Processes

Line Managers
- Managing Strategic change context
- Managing Emotional challenges
- Implementing the People Agenda

Human Resources
- Tools/process of TM
- Creating the People agenda
- Enabling and Facilitating Change
- Conflict between centre and Bus (HR)

Senior Executives
- Leading Change
- Driving the Talent Agenda
- Organisation Strategy
- External market challenges of a services business
The Interview Strategy

Initially, a survey and a limited number of interviews was considered as an approach to gather data to answer the research questions. An action research strategy approach was also examined at an early stage. During the process of refining the research proposal and the literature review, as well as discussion with the research supervisor and work colleagues, the requirement to get “closer” to the participant views emerged. It became clear that the survey approach would not provide the data needed and therefore these other approaches were rejected.

The decision was taken to use a semi-structured interview approach. The reasons for this are explored further below. As part of the literature review and early discussions on the research proposal, an initial set of questions were prepared. These were discussed with the research supervisor and also input was sought from the senior HR practitioner in VT Group. The pilot list of questions was reviewed several times before being piloted with one of the line managers. The semi-structured format and questions was followed and the subsequent output reviewed with the research supervisor. Following this, the most senior HR practitioner and most senior line manager were interviewed. The output of these meetings was again reviewed with the research supervisor to test the viability questions and the semi-structured interview approach. These two interviews, it was thought at the time, could provide a frame for reviewing the other interviews with subsequent senior executives and line managers, and HR practitioners.

In summary, in order to achieve the research aim, the views and perceptions of the different individuals were explored around TM, its relationship to business and HR strategy, and especially how individuals felt personally about the whole experience. The questions
developed covered the understandings, perceptions, and feelings of the senior executives, line managers, and HR practitioners. There was particular focus on the views of HR practitioners, line and senior managers about their role and skills of all the groups defined in the conceptual framework.

The interviewees were all at senior or executive level, line managers, and HR professionals who implemented, or were part of the Talent process at VT Group. The semi-structured interview process with 10 key members (6 senior or line managers and 4 HR practitioners, one of whom was also a senior manager) of the VT Group organisation involved in implementing the TM process was designed.

**Semi structured Interviews**

The semi structured interviews were based on the following 11 questions shown at Figure 4:2. The questions were derived from continuously reviewing the research question, the literature review and also from piloting the questions with one of the senior VT managers and the study supervisor.

Specifically the interview schedule was informed by the issues highlighted in Figure 4.2 (derived from the literature) and important features relevant to Talent Management highlighted by Lubitsch et al (2007) and Ashton and Morton (2005) that are summarised in Figure 3.5 (see chapter 3 page 42) and Table 4:4 (see below) below, respectively.

The Lubitsh model referred to in Chapter 3 (Figure 3.5 page 44) and reproduced below and figure 3.6 (page 46, Chapter 3) which analyses the TM “territory” in relation to HR and in relation to strategy more broadly was analysed through asking specific questions. Part of the intent of these questions was to gain perspective as to whether TM was seen as “old wine in new bottles” or something new in organisations.
The questions of where does TM “fit” with HR and against strategic intent in organisations were tested in questions 5, 6, and 7.

These questions were as follows:

5. To what extent did the TM process link with other strategic business priorities at VT? (Identify areas of good and more difficult areas of linkage?)

6. In what ways did the TM process “fit” with the other things that HR was trying to achieve in VT (identify good fit and poor fit)

7. How effective was the talent process in VT in the light of questions 5, 6, above? What went well and what was not so successful?

Another issue that was raised generally in the literature review was the multiple definitions of TM and its context in the organisation. Question 4 below was aimed specifically in getting input from the interviewees about this aspect of TM in VT group.

4. What is your definition of Talent Management and what was its importance in the business context of VT?

As a lead into question 4, two opening questions were asked of the interviewees about their understanding of TM and also what they as individuals felt about TM as a process.

1. How did you first get to think about (or hear about) the need for a Talent Management (TM) process at VT?

2. Why did you want (or not) to introduce a TM process into VT?

In terms of the roles and skills of the senior executives, line managers and HR/Talent practitioners questions 8 and 9 looked at the roles, skills and attributes required by the different groups and question 10 was a summary question about the HR function as a whole in being effective in introducing a TM process. The final question was about TM in general and in VT and aimed at capturing an overview of the person’s thoughts and ideas during the interview and anything that may have been missed.
Figure 3.5  Talent Management Intersects HRM, Succession Planning and Strategy

*Summary

*Lubitsch et al. (2007, p. 27)
Doctor of Business Administration - Talent Management Interview Questions

1. How did you first get to think about (or hear about) the need for a Talent Management (TM) process at VT?

2. Why did you want (or not) to introduce a TM process into VT?

3. Can you describe (from your perspective) how TM was introduced?

4. What is your definition of Talent Management and what was its importance in the business context of VT?

5. To what extent did the TM process link with other strategic business priorities at VT? (Identify areas of good and more difficult areas of linkage?)

6. In what ways did the TM process “fit” with the other things that HR was trying to achieve in VT (identify good fit and poor fit)

7. How effective was the talent process in VT in the light of questions 5, 6, above? What went well and what was not so successful?

8. What do you see the roles of:
   a) The HR function,
   b) The senior leaders, and
   c) The line managers in the TM process?

9. What do you see the skills/attributes required by the
   a) The HR function,
   b) The senior leaders, and
   c) The line managers in the TM process?

10. How effective overall was the Human Resources function in implementing Talent Management in VT?

11. Have you any other thoughts and comments about the Talent definition and process, both generally, and in VT?
The Semi-Structured Interview Approach

Each interviewee received a copy of the interview questions in advance and it was explained that the interviews would be recorded and the reasons why. No interviewees expressed any concern or apprehensions about this and in fact seemed to enjoy the process. One of the key aims of the interviews was to get the participants’ personal views of how TM was introduced and implemented. As Smith et al., (2009, p. 65) suggest:

Good research interviewing requires us to accept, and indeed relish, the fact that the course and content of an interview cannot be laid down in advance.

The interview process did not always follow the sequence of the questions and each interviewee was allowed to answer questions and to follow different directions as the interviewee wanted and felt relevant. Generally all the questions were covered but not always in the original sequence.

As Smith et al. (2009, p. 56) describe, IPA requires “rich” data in the sense that the participants have the opportunity to tell their stories, speak freely and reflectively, and express their ideas and concerns at length. A questionnaire or highly structured interview would have meant that this was less likely to happen. During the interview the main aim was to achieve a dialogue, with the participant encouraged to tell their own story, with the interviewer speaking as little as possible and the interviewee speaking as much as possible. Each interview was planned in terms of what Smith describes as the “virtual maps” in advance of each interview and planning for any potential difficulties. It was an advantage that, as the researcher was the former ED&SP Director who worked on the TM process at the VT Group, there existed a relationship and good rapport in advance of the interviews. In the work context, the role of the ED&SP was focused on implementing the talent process. What was
different in the interviews was that the emphasis was on getting an overview of what the individual really felt and thought about the TM process from a personal perspective.

The process around the interviews was iterative, with ideas developing and changing during the research activity. All the interviews were face-to-face and in the environment where the interviewee felt most comfortable. There was focus on engaged listening throughout the interviews and asking how the interviewees “felt” about the issues being raised. To summarise, the advantages of the semi-structured interviews are: it facilitates rapport/empathy, allows a greater flexibility of coverage, allows the interview to go into novel areas, and it tends to produce “richer” data. On the debit side, semi-structured interviewing may reduce the control the investigator has over the process. The interviews were recorded and transcribed. The pattern for this was the researcher listened several times to each interview and then personally transcribed the words. The interviews were then reviewed by playing back the interview and reading the text. The semi-structured interview allows data to be themed and analysed. After each interview, the initial recording was listened to and preliminary notes taken on key points. In addition, internal company presentations along with management and HR documents were part of the process of review. Copies of these are attached in the Appendices.

**Sample and Sample Size**

Sampling needs to be consistent with the qualitative approach. The process of IPA typically involves finding a fairly homogeneous sample, and samples are selected purposively because they can offer a research project insight into a particular experience. IPA goes in the opposite direction from random or representative sampling. Purposive sampling was adopted because the interviewees were key people in the implementation and could contribute insight to the research. As Smith *et al.* (2009) suggest:
Sampling must be theoretically consistent with the qualitative paradigm in general, and with IPA’s orientation in particular. (Smith et al., 2009, p. 48).

Participants are chosen because they can give a particular perspective on the phenomena being studied. IPA, partly because of the ideographic approach discussed earlier focusing on understanding particular contexts, means that the sample sizes are generally smaller (Smith et al., 2009). Smith et al. (2009) recommend that in professional doctorates between four and ten interviews are considered sufficient depending on circumstances. In addition as Silzer and Dowell (2010) propose, the three groups for this study were the senior executives, line managers, and HR/talent practitioners. This classification was developed as part of the model of the Implementation Framework (see Figure 4:1 earlier in the chapter). The senior executives, line manager, and HR/talent practitioners were a key part of the identified sample.

The ten VT Group interviewees are listed below in Table 4.1.

Table 4.1 VT Group Interviewees

<table>
<thead>
<tr>
<th>Interviewees/Reference</th>
<th>Job Role</th>
<th>Gender (Male or Female) /Age Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. SE1</td>
<td>Senior Executive 1</td>
<td>M/60-69</td>
</tr>
<tr>
<td>2. SE2</td>
<td>Senior Executive 2</td>
<td>M/50-59</td>
</tr>
<tr>
<td>3. SE3</td>
<td>Senior Executive 3</td>
<td>M/40-49</td>
</tr>
<tr>
<td>4. SHR1</td>
<td>Senior Executive/HR 1</td>
<td>M/50-59</td>
</tr>
<tr>
<td>5. LM1</td>
<td>Line Manager 1</td>
<td>M/40-49</td>
</tr>
</tbody>
</table>
Data Collection and Analysis

The data was collected from June 2009 to February 2010 with 10 separate interviews. As described above, the research was carried out using an inductive approach through one-to-one semi-structured interviews. Each participant was invited to a 1 – 2 hour interview and all were digitally recorded. After each interview the recording was listened to several times without taking detailed notes. The researcher began with the most senior line manager and the most senior HR representative. Both these sessions were written up and shared with the research supervisor, as explained above, to assess the effectiveness of the questionnaire and test the quality of the data and themes that were beginning to emerge. The VT Group was in the process of being acquired by Babcock International at the same time that the interviews took place.

The process of analysis that followed was outlined by Smith et al. (2009, p. 82) using a six step model. First, the aim was to become immersed in the recording while reading and rereading the transcript, and second, taking initial notes. Each transcript was placed in the middle of three boxes. The box on the right had exploratory comments and the box on the left contained emergent themes. The third step was to identify emergent themes which reflected
the participant’s words and the interpretation of what was being said. This was done for each of the ten interviews and emergent themes were documented. Fourth, the connection between the emergent themes was explored, and fifth, the individual cases were reviewed. These themes were further reviewed for connections and seven superordinate themes were identified. The final stage was to look across the individuals cases to identify patterns across superordinate themes. A further review of the superordinate themes took place by taking each superordinate theme and reviewing these against each of the 10 cases. The aim was to make a further check that each of the superordinate themes fully represented the data collected.

As described above, the questions were asked in a semi-structured interview process. The questions cover each individual’s personal view of TM and its introduction into the organisation, the fit with HR and business strategy, the roles and skills required of each group, and any general points about TM. Hence, the semi-structured interviews were used to identify and explore the issues. As Smith et al. (2009, p. 57) state:

> In IPA, … we are aiming to design data collection events which elicit detailed stories, thoughts and feelings from the participant. Semi-structured one-to-one interviews have tended to be the preferred means for collecting such data. One-to-one interviews are easily managed, allowing a rapport to be developed and giving participants the space to think, speak, and be heard. They are therefore well-suited to in-depth and personal discussion.

**Alternative Qualitative Methods**

A number of qualitative data analysis approaches are possible when examining qualitative data. Smith *et al.* (2009) discuss four “versions” of methods of qualitative data analysis. These are phenomenological, grounded theory, discourse analysis, and narrative analysis.
Phenomenology has been discussed above and is focused on the study of experience. There are limitations in this approach to developing answers to the study’s research questions. Grounded theory aims to generate a theoretical level account of particular phenomena. The constructivist version is more widely used. This approach again would not have been appropriate to answer the study’s research questions as it examines the phenomena in terms of developing a high level conceptual account. Discursive approaches can focus on the interaction, structure, language, and culture and focuses on how people make use of resources and can also focus on how language functions in specific contexts. Narrative analysis often is focused on the content or structure of people stories. None of these approaches would have been appropriate to answer this study’s research questions.

**Interpretative Phenomenological Analysis (IPA)**

IPA is a relatively new approach having its roots in a paper by Smith (2008) which argued for an approach to psychology which was able to capture the experiential and qualitative and still be part of mainstream psychology. Smith *et al.* (2009), identify the substance of IPA as coming from phenomenology, hermeneutics, and ideography. Phenomenology is the study of experience while hermeneutics is the theory of interpretation. For IPA, the hermeneutic circle is important as it describes the process of analysis being iterative, moving through different thinking about the data. The third area is ideography which is concerned with the particular. This is the commitment under IPA to focus on the detail of the individuals and also the analysis must look at the context.

The concept of the double hermeneutic is important where the researcher is making sense of the participant and in turn is making sense of the overall phenomenon. The phenomenon in this case is the introduction of TM into the VT Group. There is a further double hermeneutic where the researcher has both “empathy” and the hermeneutics of “suspicion”. The former element of empathy is where the researcher is reconstructing the individuals’ experience
while the “suspicion” is, at the same time, using external perspectives to shed light on the phenomenon.

As Smith et al. (2009, p. 40) state:

IPA is concerned with understanding personal lived experience and thus with exploring persons’ relatedness to, or involvement in, a particular event or process (phenomenon). In choosing IPA for a research project, we commit ourselves to exploring, describing, and interpreting and situating the means by which the participants make sense of their experiences. Thus, IPA researchers need first of all to access rich and detailed personal accounts. These accounts will be elicited from persons who are willing and able to offer a view of the phenomena under investigation.

IPA was adopted as the approach to carry out the qualitative inquiry into TM in the VT Group.

Within the process the analysis was informed by the literature and conceptual framework. Specifically Ashton and Morton (2005) formed a basis for making sense of and interpreting the data around the roles and skills of the key players in implementing TM processes. Table 4:2 below describes the model.
Table 4:2 Model and Key Words description of Talent Management

<table>
<thead>
<tr>
<th>Key Word</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>Embedding values and behaviours, known as a “talent mindset,” to support the view that everyone has potential worth developing</td>
</tr>
<tr>
<td>Focus</td>
<td>Knowing which jobs make the difference and making sure that the right people hold those jobs at the right time</td>
</tr>
<tr>
<td>Positioning</td>
<td>Starting at the top of the organisation and cascading throughout the management levels to make this a management, not HR, initiative</td>
</tr>
<tr>
<td>Structure</td>
<td>Creating tools, processes and techniques with defined accountability to ensure that the work gets done</td>
</tr>
<tr>
<td>System</td>
<td>Facilitating a long term and holistic approach to generate change</td>
</tr>
</tbody>
</table>

Ref: Ashton and Morton (2005, p. 30)

This model (see Table 4:2 above) was used as a framework for examining the roles and skills of the HR and practitioners and the senior executives and line managers. Ashton and Moore (2005, p. 30) described TM as an integration of different initiatives and constructs into a coherent framework. To give rigour to the review of the roles and skills, the model they developed is used where TM is described in key words to cover Ethos (embedding values and behaviours, known as a “talent mindset,”); Focus (knowing which jobs make the difference and making sure that the right people hold those jobs at the right time); Positioning (cascading from the top throughout the management levels to make this a management, not HR, initiative); Structure (creating tools, processes and techniques with defined accountability to ensure that the work gets done); and Systems (facilitating a long term and holistic approach to generate change). Again this model and its application is explored in the next chapter.
Issues of Validity and Quality in IPA

The challenge of assessing the quality of qualitative research by Smith et al. (2009, p. 179) has led to the view that there is a:

… growing dissatisfaction with qualitative research being evaluated according to criteria for validity and reliability which are applied to quantitative research.

Smith et al. suggest the four principles proposed by Yardley (2000) as a model for assessing the quality of qualitative research. These are firstly sensitivity to context; secondly commitment and rigour; thirdly transparency and coherence; and fourthly impact and importance. In terms of “sensitivity to context”, the choice of IPA as a means of understanding the feelings and perceptions of people involved in implementing a TM process was important. This sensitivity is shown in designing the interview, the management of the interview process, and the analysis giving the participants a voice in the project through quoting verbatim extracts. This concept of sensitivity extends to the link to the existing literature and the research process. This aspect was shown in the research process when the area of “emotion” in the implementation of TM unexpectedly came up in several interviews.

The second principle is “rigour” and refers to the thoroughness of the study, the sample selection, interview quality, and the analysis too must be systematic and, especially with IPA, that it must have sufficient ideographic engagement as well as being interpretative. The taping and detailed transcribing of the interviews, while time consuming, helped with the continuous reviewing of the interviewees’ thinking.

“Transparency and coherence”, the third principle, refers to the research process and the write-up of the study. In addition, in an IPA study, the written report should be consistent with the IPA rather than a different qualitative approach. The study quoted the participants’ own words extensively and developed superordinate themes, in the findings chapter. It is also
argued that the reader of the study should be aware of the sense the researcher is trying to make of the participants’ experience. The final and fourth principle is “impact and importance”. Smith et al. (2009, p. 183) make the argument that:

….however well a piece of research is conducted, a test of its real validity lies in whether it tells the reader something interesting, important, or useful.

As outlined in the literature review, the focus of the study was to contribute to both the practitioner and academic fields.

Summary

In this study an interpretivist approach was taken in order to gain an understanding of the participants “lived experience” in the introduction of TM in the VT Group.

As part of the study an inductive and qualitative position was taken to examine the experiences of the individuals who were part of the TM implementation in VT Group, and to gain an understanding of the participants as “social actors” and hence examine the attitudes, perceptions, feelings, and influences on individuals who were key stakeholders in the introduction of TM.

A case study of the VT Group’s introduction of TM was used as the research framework. A purposive sampling strategy was chosen so that each person chosen for interview was able to contribute meaningfully to the study.

A total of 10 participants were chosen to represent 3 groups within VT. There were 6 senior executives or line managers and 4 HR practitioners. IPA was selected as the most effective way to inquire into the 10 VT Group subjects. Through using an IPA methodology,
phenomenology, hermeneutics, and ideography are covered. Phenomenology covers the study of experience while hermeneutics covers interpretation. In addition, with IPA the hermeneutic circle is important as it describes the process of analysis being iterative, moving through different ways of thinking about the data. The further element of ideography is concerned with the particular and focuses on the importance of each individual account.

The concept of the double hermeneutic is also important where the researcher is making sense of the participant view and also in turn is making sense of the overall phenomena. There is also the “double” hermeneutic where there is the “empathy” with the individual, and the hermeneutics of “suspicion” using external perspectives to help review the interviews with the individuals. A semi-structured interview data collection approach to the 10 subjects was chosen. This was because, as Smith et al. (2009) argue, IPA requires “rich” data so that the participants have the opportunity to tell their stories, speak freely and reflectively, and express their ideas and concerns at length.

The next chapter will discuss the findings of the research.
CHAPTER 5: RESEARCH FINDINGS AND DISCUSSION

Introduction

This chapter presents and analyses the data from the study focusing on the introduction of TM and a TM system in the VT Group organisation.

The main research question addressed in this thesis was:

“What factors influenced the ways in which TM was introduced, and implemented, in a multinational corporation” (MNC).

The research objectives were to:

- Examine how the different stakeholder groups (senior managers, line managers, and HR practitioners) understood and perceived TM from its introduction, purpose, and outcomes.

- Examine and identify, evaluate and establish the business, professional and personal roles and skills implications of TM in a large MNC.

In undertaking the analysis, the IPA analysis process proposed by Smith et al. (2009) is adopted. Emerging superordinate themes were identified. During the course of the analysis different perspectives of TM were used, developed from the Lubitsch et al. (2007) model of HR and talent perspectives in organisations. Lubitsch’s approach recognises that corporate approaches to TM are shaped by underlying core beliefs and perspectives. Lubitsch argues that these beliefs and perspectives are often implicit and not discussed openly. Lubitsch used six perspectives to help analyse how TM can be viewed in an organisation. These perspectives were adapted to help analyse the VT case study interviews. The analysis also allowed for the identification of perspectives not previously incorporated in Lubitsch. The
research findings indicate that a broader frame of reference is required for TM. As Thunnissen
et al. (2013) in a critique of TM literature argues, there is often an underlying assumption that
all organisation “actors” share mutual goals and interests. The link to strategy has been
identified as central to TM (Boudreau & Ramstad, 2005; Collings & Mellahi, 2009) and there
is also a related assumption (Thunnissen et al., 2013) that there is a unitarist approach in TM
literature where the organisation is working as a “unified actor” working systemically and
unanimously to achieve organisational goals across top management, line management and
HR. Some commentators (Guthridge et al., 2006) have discussed “silo” thinking where
different parts of the organisation focus on one part rather than the whole. A key finding in
this thesis is that there are different views by stakeholders like top management, line
managers and HR, but also there is a range of different views within these groups, and how
they see the TM and its positioning within HR, and within the strategy of the organisation.
This issue is important for the research question and both research objectives. Later in this
chapter the strategic positioning of core HR activity and TM is considered. This has particular
reference to the HR practitioner role and how the other stakeholders view HR practitioners.

Data Description and Analysis Process

The analysis process used the IP analytical approach proposed by Smith et al. (2009). There is
a summary of key points made by each person during the interview session at Appendix 8.
Smith et al. (2009) have set out a guide to IPA analysis. The steps proposed are set out as
follows:

Step 1. Read and re-reading the data – active engagement with the data.

Step 2. Make initial notes – explore anything of interest and make notes on the transcripts.

Step 3. Develop emerging themes – focusing on the transcripts and notes, reflecting the
participant’s original words, and analytical interpretations to produce themes.
Step 4. Search for connections across emergent themes – drawing together all the emergent themes and producing a structure that enables you to point to all the important and most interesting aspects of the participant’s account.

Step 5. Move to the next case – completing the write up of a single case and repeating the process.

Step 6. Look for patterns across cases – compare themes across the different cases.

In this study the first step was to become immersed in the recording after the interview. Each recorded transcript was listened to immediately after the interview. The transcripts were read, and reread, and initial notes taken as a second step. See Appendix 9 for an illustrative example of the interview notes. To undertake this second step each transcript was placed in the middle of three columns in a Word document. The box on the right had exploratory comments and the box on the left contained ideas about emergent themes. The third step was to identify these emergent themes which reflected the participant’s words and the interpretation of what was being said. This was done for each of the ten interviews and emergent themes were documented. Fourth, the connection between the emergent themes was explored and converted to superordinate themes and the individual cases were reviewed.

These themes were reviewed for connections and seven superordinate themes were identified. The final stage, Step 6, was to look across the individual cases to identify the patterns across them and reconfirm the superordinate themes. Each interview was matched against the superordinate themes, which was a further check that each of the superordinate themes fully represented the data. The next section will describe the superordinate themes in more detail.
Superordinate Themes description

Having adopted the case study approach and using IPA to analyse the data collected, the following superordinate themes emerged during the analysis. These themes are shown in Table 3 and the references to each interviewee are also shown. These themes represent the factors affecting the implementation of TM in VT Group. The participants in the interviews represented the Executive, Line managers, and HR and/or talent practitioners in VT Group.

The first superordinate theme was culture and change management. This theme initially emerged from the interviews with the most senior executive and senior HR executive. These two interviews had taken place early in the interview process and provided a useful initial framework for the rest of the interviews. This particular theme developed around the shift in culture required to move from a shipbuilding company to a service-based organisation. Although these themes emerged early on, as the research proceeded it became apparent that the TM process represented a huge cultural shift for VT Group. In this case there was a strategic shift moving to new markets and requiring new types of skill. Also the whole “people agenda” focus was recognised as being fundamental to achieve this change. This theme differed from the organisation and strategy theme covered next, in that focus was on people in the organisation and the need for change rather than only a strategic change.

The second superordinate theme identified was around organisation strategy and the strategy process. Several of the senior executives referred to the strategic change and all were acutely aware of its importance. There were several important differences, however, in how different participants saw this change being achieved in the VT organisation and the importance (or otherwise) of whether the TM activity would be effective. The first theme is focused on the people component of change. The second theme focuses on the strategy and development of strategy process within VT.
The third superordinate theme identified was the role of the new leaders appointed into the organisation, especially the new CEO and the Group HR director. The CEO championed the strategic change and the people agenda and the Group HR director took responsibility for the HR function to create the tools and processes to implement people agenda.

The fourth superordinate theme identified was the emotional issues involved in implementing a TM system. These issues were raised in detail by one of the line managers from a personal and organisational/leadership point of view. In addition one of the HR Directors talked about the emotional issues involved in the implementation of the TM process and related this to the organisational maturity of VT group. The emotions of the people who implemented TM and those that were the subject of the TM process either from a management or recipient standpoint were evident in the interview process. Ward and Jacobsen (2011, p. 32) argue that often because “human capital” views of employees is adopted in some TM processes, TM can be something that “is done to talented employees” not “with them”. This can lead to the TM process and practices alienating the talented. There was evidence of strong emotions being raised in the HR practitioners in VT as well as those implementing and being part of the process.

The fifth superordinate theme refers to the conflict or differences in objectives between the “corporate centre” and the individual business units that comprised the group. VT Group’s recent history was dominated by the decision to move to a business services model and to create new business units as it grew from the original shipbuilding core. The BUs had their own organisational support and infrastructure functions, such as HR and Finance, which operated in addition to the central corporate HR and Finance structures. Several interviewees referred to the gaps and misalignment between the corporate centre and the BUs.
The sixth superordinate theme focuses on the **role and skills required of the senior executives and line managers to implement a TM process**. This theme was covered in the interview questions and by all interviewees. Much of the literature has focused on the role of HR in implementing TM processes and systems. While generally there was a consistent view on the ownership of the process by the senior executives and the line managers, there were questions raised by the some of the senior executives, line managers, and HR practitioners about the capability and commitment to the implementation of the TM process in VT group. This view was represented in each stakeholder group within VT.

The final and seventh superordinate theme focuses on the **role and skills of HR practitioners required to implement a TM process**. The role of HR in relationship to the implementation of TM in organisations has been the subject of analysis from Ulrich *et al*. (2009) and others. In VT group, from the interview process, it was a surprising finding that there was such a wide difference of views within the HR practitioner interviewees. The senior executive in HR (SHR1) had a clear focus strategically, and in term of business planning and the creation of the People Agenda at VT.

Below in Table 5.1 the superordinate themes are listed and described and the sources of the inputs from the interviewees are referenced.
Table 5.1 Superordinate themes – Description and Source

<table>
<thead>
<tr>
<th>Superordinate Themes</th>
<th>Description</th>
<th>Referenced Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Culture and Change Management (including people agenda)</td>
<td>The strategic business change required a culture change and a “new people-led agenda” to achieve FTSE 100 status. For VT Group as a traditional shipbuilding organisation TM was a “stretch” for the leadership and for the HR function.</td>
<td>SM1, SM2, SM3, LM1, LM3, SHR1, HR1, HR2.</td>
</tr>
<tr>
<td>2. Organisational strategic direction and process.</td>
<td>Transforming strategically from shipbuilding to a service-based organisation. Generally accepted that TM was necessary for this reason. Nearly all interviewees apart from LM2 agreed that this drove the “need” for TM. Several line and HR interviewees felt that there was no VT Group “strategy”. A few thought that TM was a strategy in itself to drive change.</td>
<td>SM1, SM3, LM1, LM3, SHR1, HR1, HR2.</td>
</tr>
<tr>
<td>3. Role of new Leaders, especially CEO and Group HR Director, in positioning and understanding TM.</td>
<td>Leadership and Vision of CEO/Group HR Director. Previous experience of working in environments that were in tune with TM and people development agendas was seen as important. This was important for the line management and HR.</td>
<td>SM1, SM3, LM1, LM2, LM3, SHR1, HR1, HR2.</td>
</tr>
<tr>
<td>4. Emotion management/Intelligence lacking in the leadership and in general organisational maturity an issue.</td>
<td>Referred in particular by a business HR director and a line manager who highlighted negative emotional leadership aspects. This was not commonly referred to, but was so dominant in these interviews that it became a suggested new area of study.</td>
<td>LM2, HR1</td>
</tr>
<tr>
<td>5. Conflict between roles and capabilities between Centre and Business Units,</td>
<td>The issue was raised by one of the senior managers in relation to the centre and also between the HR corporate and business HR. It was not raised by the line managers as an issue.</td>
<td>SM2, SHR1, HR1, HR2, HR3.</td>
</tr>
<tr>
<td>6. Role and skills of senior managers/line managers.</td>
<td>There was consistency on the role of the senior and line managers generally from senior and line managers and HR practitioners. There were concerns raised within the HR function about the commitment of some of the senior managers and line managers.</td>
<td>SM1, SM3, LM1, LM2, LM3, SHR1, HR1, HR2, HR3.</td>
</tr>
<tr>
<td>7. Role and Skills of HR function.</td>
<td>Senior and Line Management concerns about the capability of HR to deliver TM. Also concerns within HR about skills and commitment of the HR function to deliver the TM agenda.</td>
<td>SM1, SM2, SM3, LM1, LM2, SHR1, HR1, HR2, HR3.</td>
</tr>
</tbody>
</table>

In addition to the description of the superordinate themes, below is a list of selected quotes referring to each theme.
<table>
<thead>
<tr>
<th>Superordinate Themes</th>
<th>Referenced Source quotes from Interviewees</th>
</tr>
</thead>
</table>
| Culture and Change Management (including people agenda).                          | …..I think at VT Group we changed ourselves into a service business (from shipbuilding) it becomes a bit of a cliché that everybody says “people are our most important assets”… but in a service business that is all you have got… unless you have got good people and put them in the right culture that brings out the best in them. So having talent is one thing but you have got to have the right culture in the company to take advantage of that. And as a “service company” we live and die on that.” (SE1:3,4)  
…..the CEO explained that VT was a very traditional company nearly one hundred and fifty years old and that there had been whole families employed there. It was a very traditional manufacturing culture and he wanted to shift the culture to a much more meritocratic culture where people got on by virtue of their own efforts I soon realised that we would have to have a pretty significant change in terms of people how we developed and promoted people to achieve that vision that he had clearly articulated … (SHR1 :1) |
| Organisational strategic direction and process.                                   | I don’t think TM ever got embedded in the business strategy. I don’t think it was ever really, you know, aligned in that sense with the wider direction of where the group was going. I think it was a bit of a process “over there” to be honest. I think that was probably why it didn’t succeed as much as it could have.”(SE3:6)  
….going back to the point I made about the strategic plan I don't think VT was quite ready for TM in the sense that I have just described it because the strategic planning process was quite unsophisticated and it was something that often got knocked out by one or other director a week before we had a strategic planning session with the Board. So it wasn't really a proper sort of annual process do you know what I mean so because we didn't have that annual process already it was hard in retrospect how we would we have grafted TM onto - that I don't know. (SE3:8) |
| Role of new Leaders, especially CEO and Group HR Director in positioning and understanding TM. | Well I think I was fortunate to work for a big company called Schlumberger who believed in it (TM) – massively ahead of their time – in the 1980s and mapped out their talent and invested heavily in their talent from day one. …as I moved into more senior general management positions I have always taken that with me I think that having a really good talent around and the development of that talent is a real big business driver….a fundamental part of any business plan.(SE1:2)  
HR I think the skills or knowledge of the TM process is important…one of the stumbling blocks to TM was that the other HR leaders –didn’t really “get” it (TM)(HR2:15) |
| Emotion management/ Intelligence lacking in the leadership and in general organisational maturity an issue. | I am not sure that if we would have been able to go down that far down (applying TM 2 or 3 levels in the organisation down from the CEO) because it was still a very paternalistic business in that you know if you had been recruited by the forefathers of the business whether you were a “good fit” or not you were going to go somewhere because you played the right game – you were not assessed against your capabilities. Everyone knew it was a personality led business.(HR1:11)  
In some ways (TM) was a little bit dangerous, you stir up rivalries, resentment and bitterness, a little bit of infighting…but it’s how you deal with it after that, that makes the initial process meaningful.(LM2:12)  
..you created people who were more emotionally intelligent and more likely to be …and it did fit well with the coaching culture(LM2:17)  
I wonder how many people got a little bit nailed….. Good leadership has to start from the top and cascade all the way down(LM2:27) |
| Conflict between roles and capabilities between Centre and Business Units.         | The HR function wasn’t that strong and not really at the corporate level and we didn’t really have a tie the way down…No pretty much I think there was the dichotomy of there is a group bit and the BU (business unit) and are the two aligned are the two knowing that there is a small centralised unit and whereas the in between bit (the middle) wanted them to deliver everything. They (the centre) are not set up to deliver everything (HR3:60)  
VT was quite entrepreneurial and the business relied on the people at the top to drive the strategy and the group kind of gave them the tools and didn’t really give them too much of hard time unless things were failing.(LM1:20) |
Mapping the TM “Territory” - Perspectives of Talent Management

As a concept TM is difficult to define as many activities can be included under this term in organisations. In order to get a deeper insight into the TM at VT Group, in the next section an approach developed by Lubitsch et al. (2007) was adapted and used to used analyse the interview data. As referred to earlier, Lubitsch argues that corporate approaches to TM are underpinned by beliefs and perspectives which are implicit and rarely discussed by business leaders. An example in the interviews was expressed by one senior executive in VT group who disclosed the belief that there was always undiscovered talent in organisations. Lubitsch also argued that organisations may hold several different perspectives and beliefs about talent that may not fit together well to form a coherent view. The following section explores the VT data using the Lubitsch perspective of TM.

In order to address the principal research question of this study – the factors that influenced the way that TM was introduced and implemented- the data was examined making use of the Lubitsch model of TM described in Chapter 3. Each perspective identified by Lubitsch (process, culture, competitive advantage, development of talent pools, HR planning) were reviewed as key perspectives across all 10 interviews to assess the extent to which they were represented in the data.

In the course of this analysis two further perspectives were added to the Lubitsch et al. (2007) model - emotional issues (partly emotional intelligence) and strategic change. These two perspectives emerged from the interviews as additional perspectives to be considered in the introduction of TM in this case. Table 5.3 summarises the findings, matching perspectives against the three stakeholder groups. Each perspective is covered in turn and finally the positioning of TM in relation to HR is explored.
Table 5:3 Mapping the Talent Management Territory in VT Group*

<table>
<thead>
<tr>
<th>Perspectives</th>
<th>Senior Executives</th>
<th>Line Managers</th>
<th>HR Practitioners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process</td>
<td>SM1, SM3, SHR1</td>
<td>LM1, LM3</td>
<td>HR1, HR2, HR3</td>
</tr>
<tr>
<td>Culture</td>
<td>SM1, SM2, SM3, SHR1</td>
<td>LM1, LM3</td>
<td>HR1, HR2, HR3</td>
</tr>
<tr>
<td>Competitive Advantage</td>
<td>SM1, SM2, SM3, SHR1</td>
<td>LM1, LM3</td>
<td>HR1, HR2</td>
</tr>
<tr>
<td>Development (of Talent Pools)</td>
<td>SM1, SM3, SHR1</td>
<td>LM1, LM3</td>
<td>HR1, HR2</td>
</tr>
<tr>
<td>HR Planning</td>
<td>SHR1</td>
<td></td>
<td>HR1, HR2</td>
</tr>
<tr>
<td>Other (1) Strategic Change tool</td>
<td>SM1, SM2, SM3, SHR1</td>
<td>LM1, LM3</td>
<td>HR1</td>
</tr>
<tr>
<td>Other (2) Emotion Issues</td>
<td></td>
<td>LM2</td>
<td>HR1</td>
</tr>
</tbody>
</table>

*Adapted from Lubitsch et al. (2007), Talent management – a strategic imperative, Ashridge Consulting Ltd (p.15)

**Process**

The TM process or system should enable talented individuals to build their career in the organisation. This area was not covered in this study, but there is research on career development (Hirsh et al, 2001, 2004) and perspectives that there are future leaders in organisations that is not being developed (Dive, 2009). The interview process used in this research generated rich data reflecting both opinion and experience of the TM process itself and the areas where improvements could have been made.

In reflecting on the formal TM implementation process, the interviewees were positive, with the exception of two respondents: one of the senior executives (SE2) and one of the line managers. The views of these two respondents illuminated important and often overlooked features of TM. First, the HR “type” skills were needed to implement the process. Second the “reach” of the TM process within the organisation was perceived to be too limited, not
reaching far enough into the organisation. Third, a lack of clarity about the purpose of the TM process viewing it as a “super appraisal” and about development rather than focusing on the broader strategic people management and development issues.

On the process specifically both these interviewees were positive, but were critical more in its application in the organisation.

**Culture**

As indicated in Chapter 2, VT group needed to transform from a shipbuilding culture to a culture that fitted with a new service-based business. This view was shared by the interviewees but some questioned whether the TM process could support this change. This point of view is important for (as Lubitsch describes) TM requires a mind-set shift in the organisation as well as an implementation of a discrete set of activities or processes. Most interviewees were fully aware of the cultural shift required in the organisation, its importance to VT, and its connection to TM.

However the data suggests that the TM approach in VT, with respect to the mind-set shift described by Lubitsch, was only partially achieved. Across the different stakeholder groups the mind-set shift required to move to a services-based culture was clear, but the TM process and its implementation did not have the full support of all interviewees.

**Competitive Advantage**

The idea of identifying talented people and then being able to motivate them to stay, rather than leave and work for competitors, was part of the driver for TM in VT group. A related element was retaining and growing talent from the inside to support the growth strategy at VT group. There was also a focus on bringing in new talent from outside the organisation to
support and drive the growth, especially into divergent business areas like nuclear and education business areas.

In general, this perspective can be seen as one where people are seen as valuable “corporate assets”, and this perspective was represented across the interviews and stakeholders, indicating that VT group was a people business and needed to focus on them to create medium and long-term business success.

This was an area of general agreement across all the interviews, although one line manager associated the TM process only at operational HR practice level with no strategic role. In addition, an HR practitioner interviewee did not see a strategic potential of the TM process.

Developmental

The perspective of creating accelerated developmental paths for high potential employees was reflected generally by the interviewees. Two examples of this focus on development were referred to during the interviews. VT group had re-established a comprehensive Graduate recruitment and development programme with the focus on graduates as “corporate assets” who worked across business lines and were developed across the BUs. In addition, a corporate-wide coaching programme aimed at every line manager coaching their staff was introduced in parallel and in support of the TM introduction.

The focus on development was one of the areas of fairly common understanding across the interviewees. The growth of the organisation and the diversification into new business areas created opportunities for internal career “on the job” development. This, too, was generally recognised across the interviewees.

However, several of those interviewed (as indicated above on the TM process) felt that TM had not reached far enough into the organisation and also that the process was too focused on
senior leadership. Lower levels in VT and the more technical areas that existed within an “engineering services” business were left out.

**HR Planning**

This perspective of TM can be described as “matching the right people to the right jobs and doing the right things” (Capelli, 2008) and this was discussed by the most senior HR executive in his interview. An aspect of this approach depends partly in having the right Human Resource information systems that link HRM and IT systems. The HR system is needed to help the HR practitioners map out the future scenario that covers opportunities and possibilities and to move people around the company. The senior HR executive commented that this was a gap in developing the TM process across the organisation in VT as there was no HR or TM software system in place. This perspective did not feature in the interview responses in most cases for the other senior executives, line managers to HR practitioners. Two HR practitioners (HR1 and HR2) did refer to the need to plan the future talent of the organisation. Only the senior HR executive referred to the lack of TM “systems” as a major factor in the limitation to extend the TM process further into the organisation.

The next two categories, the Strategic Change perspective and Emotion Issues in management, are not part of the original Lubitsch framework but emerged as a result of the interview process.

**Strategic Change**

In terms of the link to strategy, seven of the ten interviews referred to the link between TM and the future strategic direction of VT group. For the most senior business executive (SE1) and the senior HR executive (SHR1) there was a clear link to business strategy, and the introduction of a people strategy and a related TM strategy.
However, a significant gap in strategy and planning was identified by the other two senior executives (SE2 and SE3), in referring to the lack of explicit linkage between the VT Group strategic and business planning cycles. Their explanations for this gap differed. One “blamed” what he believed was limited performance of the HR function, specifically referring to limitations of the TM process. The other executive believed the problem was wider and occurred because VT group lacked a formal strategic planning cycle and implementation processes, which would include TM as part of a people strategy.

The positioning of TM within a strategy framework covering both corporate and HR perspectives is important. Silzer and Dowell (2010) describe an ideal model of “integrated talent management” driven by business and human resources strategy supported by a culture of talent stewardship. This integrative model, especially with its talent stewardship model of management, would drive superior business outcomes, in their view. Silzer and Dowell argue that there is little research that demonstrates the benefits of a more integrated or systemic approach to talent management achieving these improved business performance outcomes.

In VT there were elements of an integrated TM model as most interviewees were aware they needed to shift the culture of the company from shipbuilding to services. However, the comments described in this section suggest that there was not a clear shared view both across, and within, the stakeholder groups.

Similarly another part of the integrated TM system is described by Ashton and Morton (2005, p. 31) who suggest that, to be successful, TM “will not operate in isolation from strategy, business planning and the organisation’s approach to people management”. Only if talent planning is linked to business planning can there be integration of the people and broader business strategy. Again, while the VT talent approach had elements of this, as has been
described in the interviews, there were perceived gaps between the business strategy and the TM process.

**Emotions and TM**

The other additional area that arose as a perspective in the implementation of TM in VT was the “managing of emotions” in VT Group during the implementation of the TM process. As described in Chapter 3, in times of change, managers need to be able to be “emotion managers”. During the interviews one of the line managers (LM3) articulated the personal emotional challenge of the TM process. He believed his line manager was not operating from a leadership perspective but instead working from a personal and potentially negative agenda. The line manager expressed a concern for TM processes generally that, unless leaders who are implementing TM are what he described as “mature”, then there is potential for TM processes to have a negative effect on individuals and the organisation. These views were expressed with a lot of unexpected emotion during the interview process.

This study does not focus on emotional intelligence; there is recognition that this aspect is part of leadership and implementation of change in organisations. As Khalili (2012, p. 363) argues,

> the nature of organisations have changed in the past two decades. Firms have…moved towards knowledge, team-based and client oriented vocations which results in raising individual autonomy in the workplace …in recent years organisations seek to hire individuals who are more emotionally intelligent.

Goleman’s (1988) work identified five dimensions of Emotional Intelligence under the following headings: Self-Awareness; Self-Regulation; Motivation; Empathy; Social Skills. He further classified these into two broad categories of personal competence and social competence with one’s own self and others respectively. As described earlier in Chapter 2, the
VT talent process involved the senior executives and line managers in a dialogue with their staff that required extensive personal and social competence. Davies and Kourdi (2010, p. 198)) describe Emotional Intelligence as being evident in five areas:

- knowing one’s emotions
- managing emotions
- motivating people
- recognising emotions in others
- handling relationships

In terms of VT one of the BU HR Directors (HR1) expressed similar views to Khalili about the general organisational “emotional” immaturity of VT group. VT was in this view a relatively small shipbuilding company in the FTSE 250 and was aspiring to become a FTSE 100 company. From the perspective of the BU HR director many of the managers were not of the calibre to operate as leaders in a larger, more diverse, company. The TM as a process was challenging, as many of the VT executives and managers operated in a more traditional paternalistic style of management.

This point will be discussed further as it raises an issue of whether an organisation when implementing TM needs to review the quality and capability, particularly of senior leaders, in implementing a TM system.

**Summary**

At this point that there are limitations of the Lubitsch perspective of TM and the data reinforced that HR planning is a requirement to be able to implement TM processes. The data also indicates that there is a need to understand the emotional climate within an organisation and to be clear on the strategic linkage of TM to organisation strategy. The next section will
explore an implementation framework across the different stakeholders and the positioning between TM and HR.

**TM and HR**

The questions of the role of TM and the linkage to HR were also covered in the research of Lubitsch *et al.* (2007). They concluded that TM is a concept that is more than a set of disparate activities. TM is more than HR practices such as rewarding, developing, and retaining of staff, as it includes business strategy and organisation culture. Lubitsch describes a more holistic definition of TM linking organisation strategy, values, culture, as well as HRM processes and business measurements. TM is therefore spanning across many functions and different areas of the organisation. It also needs support in terms of data, monitoring, and measurement. TM in effect has shared organisation ownership rather than being another HR process. As Lubitsch suggests (2007, p. 27):

> The impact of individual line managers, leadership teams and organisation culture appears decisive, broadening the talent management mandate well beyond the boundaries of HRM alone.

Given this perspective, there is an important argument for understanding the strategic role of TM and HR which is, in turn, relevant to understanding the challenges of implementing TM in VT group and the different perspectives that existed among the different stakeholders. Lubitsch *et al.* (2007) described TM as being at the apex of HR in terms of the intersection between recruitment, development, retention, succession, HR strategy, and HR management.

A similar view was expressed by Ashton and Morton (2005, p. 31) in their description of TM cutting across traditional HR silos. By integrating HR functions in an Organisation
Development nature, the TM process can reach up to Board level and senior management teams and below to junior levels in the organisation.

In this chapter so far, the research questions and objectives and the research methodology have been outlined. The Lubitsch framework for perspectives on TM has been mapped and adapted against the interview data. Using the Lubitsch model and interview data, it was established that there was agreement among the interviewees that the TM process was supported and worked effectively as an HR process. There were gaps in the link to strategy, the HR planning capability, and the managing of emotions in the organisation.

Furthermore the focus on the TM process can limit the effectiveness of TM. As Jacobsen and Ward (2011) argue, rather than looking at the process, more importantly there is need for the TM process to take into account the psychology of the talented so that the process is not “done” to the talented but “with” them. They argue that TM processes often take a “human capital” approach to the talented and that this concept can produce processes and practices that alienate talent.

In the next section, an operational framework of the roles of the key stakeholders is examined separately from the process. Later views of the three stakeholder groups will be explored in more detail and a focused review of the need, cultural fit, and the link to business strategy and planning is developed. This will cover in particular the first two superordinate themes of culture and strategy.
Comparative Analysis across Stakeholder Groups in VT
(Using the Implementation Framework of TM in VT Group in Chapter 4 page 59)

As part of the analysis process an implementation framework was developed to model the different roles of the three stakeholder groups. There is an assumption that the focus of TM is to introduce an integrated model of TM driven as part of the business and human resources strategy. The talent system is driven by three stakeholders:

- Executive (including the Board of Directors)
- Line management
- Human Resources and TM practitioners

Silzer and Dowell (2010) overview of these three roles was discussed in chapter 4. The executive role covers the CEO setting the tone and “stewardship” behaviour for the other leaders in the organisation. This group is represented by the senior executives in this study. In VT Group the Board had shown interest in knowing about strategic talent at different levels in the organisation below the GEC. For line management the role is one of accountability and how they bring the context around TM to life on a day-to-day basis. The HR and talent management function is an “enabler” role and includes in the role subject matter expert and consultation to address talent needs in the organisation. The line manager remains responsible for the final decisions of hiring, promotion, development, and retention.

As can be seen in the framework below, the organisational context is seen as underpinning the TM process. The VT context was explored in Chapter 2 and was focused on the transformation to services from shipbuilding. One interesting finding is that the three stakeholder groups in VT had no clear pattern in terms of clustering round the superordinate themes. However, the data indicates that within these groups there was not a totally consistent
vision around TM. Initially in the view of the researcher, it was thought likely there might be a correlation between the different stakeholder groups as described in the implementation framework.

The framework for VT Group in Figure 4:1, developed by the author (see Chapter 4, page 59), shows a perspective for the stakeholder groups and how their roles might be delineated in the implementation of the TM in VT.

Figure 4:1 Implementation Framework for TM in VT Group
In the next section the view of the interviewees will be explored in terms of their experience of TM in the organisation, the culture, and the business strategy. Then the interviewee’s definitions or a perception around what TM meant for them was explored.

The VT Group Organisational, Cultural and Business Case for TM

This section builds on the interview data and research indicating that there is little empirical evidence about the implementation of TM processes. For example, Thunnissen et al. (2013) argues that, despite the considerable amount of publications on TM, there is still not consensus on meaning and underlying principles. The field of study into TM was described as in its infancy by Lewis and Heckman (2006) and Collings and Mellahi (2009), while Collings, Scullion, and Vaiman (2011) concluded that the field had moved into adolescence. So the question of what TM “is” was raised with all the interviewees as part of the research. Also the interview process discussed the positioning of TM and the sense of the “lived experience” of the senior executives, line managers, and HR practitioners through a series of open questions. One question was whether, in the personal view of the interviewee, TM was “necessary” in VT Group and every interviewee confirmed that it was. However, there was a variation in the reasons why it was needed. While one senior executive (SE1) argued that there was a strategic business need, a line manager (LM2) argued that TM was necessary because of the poor quality appraisal process. This argument also suggested that TM was purely for development and not linked to business strategy.

In answer to the question of whether TM was a “good fit” with the culture of the VT Group organisation, there was more variation. Many of those interviewed argued that as a 150 year-old traditional “command and control” style engineering company, the introduction of the TM process was a challenge for the organisation. Only two people – the most senior executive and
the most senior HR executive - believed that TM was fully connected to business strategy and planning process.

In terms of the fit with strategy, she (HR1:6) suggested that:

I don’t think VT Group were very good at strategy. It was an aspirational thing - they knew that all big Board people in FTSE 100 had TM - but they never really used it as a reference point for what skill (is) in your business to inform your strategic direction.

This was a general view outside of the two senior executives. One of the line managers commented:

I am not sure the VT strategy was particularly complex, or particularly well understood. I mean it was there you know - it was in effect “exit” shipbuilding and grow everything else - and there was not too much complexity to it aside from that.

(LM1:13)

There were a number of negative views about the TM process being linked to the business strategy among senior and line managers. However, the HR practitioners all perceived that TM was aligned to the business strategy.

The same two senior executives who drove TM (SM1, and SHR1) believed that TM was integrated with the business plan. Alternatively, their position could also be explained by the argument that VT Group did not really have a strategy and business plan. This argument suggests that the business strategy and business plan was really more of an “aspiration” to become a FTSE 100 company. This was to be achieved by becoming a services-based company and exit shipbuilding as described in Chapter 2. Therefore TM could be seen as part of the strategy and business plan.
Table 5: 4  Interviewees on the need for TM, Cultural, and Business Alignment

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>TM Needed in VT</th>
<th>TM good Culture fit</th>
<th>TM aligned to Business Strategy</th>
<th>TM integrated with Business Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>SM1</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>SM2</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>SM3</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>SHR1</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>LM1</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>LM2</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>LM3</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>HR1</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>HR2</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>HR3</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

As can be seen from table 5.4 above, while all the interviewees accepted that TM was needed, there was no consistent view (apart from SE1 and SHR1) that there was a fit with the VT Group culture, business strategy, and business planning. As has been argued in Chapter 3, there are different views of TM and in VT there were different views of TM. The next section focuses on the different definition and perceptions of TM itself in the VT Group.
**Definition of TM in VT Group**

This section looks at the interviewees’ definition or “understanding” of what TM meant in VT. There was wide variation in the perspectives of TM. In the following Table 5.5: Defining TM - supporting quotes from each interview are included.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Definition and/or Understanding of TM</th>
</tr>
</thead>
<tbody>
<tr>
<td>SE1</td>
<td>Audit of talent in a business. A core business driver and culture change mechanism to create a service company focus.</td>
</tr>
<tr>
<td>SE2</td>
<td>Succession planning and people development to support business growth strategy.</td>
</tr>
<tr>
<td>SE3</td>
<td>To define people who are truly talented and who can be developed to be included into succession planning. It is related to “appraisal” and “succession planning” but sits apart and it creates a cadre of people able to move to the top of the company.</td>
</tr>
<tr>
<td>SHR1</td>
<td>Culture change from shipbuilding to services and paternalistic to meritocracy; creating a People Development agenda; Organisational discipline to assess and drive succession planning; “holistic” in overcoming a fractured divisional structure</td>
</tr>
<tr>
<td>LM1</td>
<td>Creating an organizational “Talent mindset” to maximize the potential of the key people by challenging people to develop and then succession planning follows. Builds individual and organizational capability.</td>
</tr>
<tr>
<td>LM2</td>
<td>A “super appraisal” HR process to decide who is “good” and who is “bad” and had a focus on retention and ranking people. It is not a strategic process.</td>
</tr>
<tr>
<td>LM3</td>
<td>Identify potential talent and future leaders at different levels in the organization. Also covers leadership, retention of talent and engagement, two or three levels from the top of the organization.</td>
</tr>
<tr>
<td>HR1</td>
<td>To identify or assess and then develop people who have the ability to grow with the business or to become next generation leaders. Assure shareholders on future sustainability and creation of a positive employee brand.</td>
</tr>
<tr>
<td>HR2</td>
<td>Identification of people within the organization who are effective in their role and important to the strategic future of the organization at all levels of the organization.</td>
</tr>
<tr>
<td>HR3</td>
<td>Identifying key people in the business and challenging and developing them.</td>
</tr>
</tbody>
</table>

As discussed in the literature review in Chapter 3 and reflected in the interview process, it was important to get an understanding of what the participants in the study perceived TM to be.
In Table 5.6 below are a series of quotes from the interviews describing the definition and understanding of TM.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Quotes on Definition and/or Understanding of TM</th>
</tr>
</thead>
<tbody>
<tr>
<td>SE1</td>
<td>I think fundamentally having really good talent around and the development of that talent is a real big business driver. You can't go out and recruit all the time growing from within is all very cost effective and you start getting good people coming into the business and it attracts more good people so I think it is a pretty fundamental part of any business plan - A successful business plan. (SM1:1) Without the talent management and the development of talent we would have struggled to achieve the sort of business performance that we did achieve. (SM1:6)</td>
</tr>
<tr>
<td>SE2</td>
<td>…. we needed succession planning or whatever you want to call it……For me it was all about that “we are a people business”, it needed to grow the people (and) we didn’t have a process for the nurturing and improving people that we should have. That leads into succession planning in terms of there was never anybody – it was just the telephone directory and it was only for the sort of higher people. (SM2:1)</td>
</tr>
<tr>
<td>SE3</td>
<td>It’s about devising a cradle to grave process…to define your top 10 and your top 20 per cent and however far down you intend to cut.</td>
</tr>
<tr>
<td>SHR1</td>
<td>I thought the TM process would drive a lot of discipline into how we assessed people and how we rated them. So we would have a very unified, clear, and objective assessment of people; and their state of readiness for the next level up. I really thought TM addressed that.(SHR1:3) It was (defining TM) one of the biggest discussions we had as a workshop - the question of what do we mean by TM. There were two schools of thought: one was that talent was extremely rare and therefore you had to use a TM process to unearth the talented people in your business and then direct resources that you had disproportionately towards this group of people to ensure that they are able to over achieve due to their potential and achieve new jobs in the organisation through the succession planning route. And a second body of opinion was that talent is everywhere and that everyone should therefore have the opportunity to develop the talent that they have. Due to our requirements around resourcing and budgets I went for the former rather than the latter. So we ended up saying talent is rare and there are not that many people in the organisation and we have to divert resources to support those people in the context of personal development and succession planning. Not so much recruitment I have to say although obviously it did overspill. (SHR1:5,6)</td>
</tr>
<tr>
<td>LM1</td>
<td>My definition of TM would absolutely be to maximise the potential of people in the business……I think we are talking about a senior management group and I think it would be absolutely about maximising the potential of those people and the reason I think that is because I think everything else will then follow you know I think actually promotions and succession planning retention for example people will stay if they feel challenged and they are being developed they will if they are being developed, if they are developing then they will be more capable and they will be able to fit in more of the available slots as they come up, and they will push harder, you know for more responsibility etc. (LM1:9) So I think everything flows from the fact that people are being developed and pushed and challenged and want to succeed. If you drive that in somebody then I think everything else flows from that. If it’s just about that and becomes more of succession planning thing that feels slightly more to the benefit of the company or has the potential to be more for the benefit of the company rather than the individual. You know you are really good and we want you to stay around is meaningless. Oh we think there are going to some great opportunities for you in the future is meaningless. It is really because it is kind of words but it has to be backed up by actions doesn’t it. (LM1:9,10)</td>
</tr>
<tr>
<td>LM2</td>
<td>…the objective in what you were doing was to find who were top talent and what is the tier below them and the tier below them…..so there are people we don’t really care about if they leave (LM2:10) …to understand the people that you have got and who you want to keep and who you want to nurture can’t be anything other than really important. But it is how you deal with it after the initial process that makes it really important (LM2:12).</td>
</tr>
<tr>
<td>LM3</td>
<td>HR1</td>
</tr>
<tr>
<td>--------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>… TM means who you think your potential talent is at the moment and your sort of potential stars for the future at different levels within the business. ….. So I think that you need a sort of layered approach … I think leadership is very important as it sets the culture and the tone of the business. …..I think the right sort of leadership team is important and so are the levels of engagement throughout the business. (LM 3:3)</td>
<td>The definition is to identify or assess and develop people who have the ability to grow within the business diversification or next generation leadership. (HR1:2)</td>
</tr>
<tr>
<td>Talent is, I think, about your capabilities and it is about identifying that some people have particular talents that are often unique to them…TM is identifying unique attributes to the people that work with you and develop them for the business. ….. there is also the “critical mass”. You need to make sure you are developing the talent of the critical mass because potentially if you engage them and develop them you are getting more because if you could identify and engage that 10,000 you are going to get potentially more payback then if you develop 10. But it is a balance which is where I was thinking about the levels. … to engage with the mass - the critical mass – at the right levels within a TM process. I think it is 2 or 3 levels within a company. (LM3:3, 5)</td>
<td>For me (TM) it’s not just a good thing to do because you need it for something else which is strategic and, it might not be today, it might not be tomorrow, but it is part of your long term plan. I think stakeholder confidence is to know that you are not just living for today. (HR1:4)</td>
</tr>
</tbody>
</table>
Summary

One striking finding from the interview responses about defining TM was that no interviewee had a simple definition and mostly all answered in long often complex answers. TM was an ambiguous term within VT.

Looking at the literature around TM, a similar challenge in definition is apparent. Lewis and Heckman (2006) in their review of TM described the problems of definition of TM and the lack of data supporting practitioner claims and recommended a systems-oriented definition. Collings and Mellahi (2009) also referred to the lack of a consistent definition of TM and aimed in their work to create a clear and concise definition of strategic TM. Boudreau and Ramstead (2005) proposed that traditional service-oriented HR focus must move to a new HR decision science paradigm and hence a new strategy definition of TM. Garrow and Hirsh (2008) and Tansley et al (2007), also took the line that there needs to be a clear shared definition of talent management within organisations.

The interview data across the three stakeholder groups confirmed that there were various definitions of, and emphasis on, what TM was and should be (and where it had fallen short in VT). Below in Table 5:7 is a high level list of categories on what TM meant in VT for the interviewed population:

<table>
<thead>
<tr>
<th>Table 5:7</th>
<th>Broad Definitions and Emphasis identified across the interviewees on TM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Long term sustainability of the organisation.</td>
</tr>
<tr>
<td>2</td>
<td>Organisational strategy and culture change mechanism.</td>
</tr>
<tr>
<td>3</td>
<td>Improving the appraisal and measurement process to fill immediate and future organisational gaps.</td>
</tr>
<tr>
<td>4</td>
<td>Focus on succession planning and developing people.</td>
</tr>
</tbody>
</table>
Interestingly only one person, one of the HR directors in a Business Unit in VT Group, talked about “sustainability” and a stewardship role on behalf of the Board and other stakeholders of for the long term future of the company.

As Ashton and Morton (2005, p. 30) argued in terms of defining TM:

Clearly, there isn’t a single consistent or concise definition. Current or historic cultural attributes may play a part in defining talent, as will more egalitarian business models. Many organizations acknowledge that talent, if aligned with business strategy – or the operational parameters of strategy execution – will change in definition as strategic priorities change. For example, in start-up businesses, the talent emphasis will be different to the innovative or creative talent needed to bring new products to market. Any definition needs to be fluid – as business drivers change, so will the definitions of talent.

Having considered the challenge in defining TM, both in the literature and in VT, perhaps the best way to understand TM and to implement a TM strategy is to use the “operational” definition of Ashton and Morton. Tansley, et al., (2013) argue that as TM is context driven universal definitions of talent and TM are not needed. Using the work of Ashton and Morton who developed a model with key words for TM the next section will consider the roles and skills needed by the HR practitioners and the roles and skills needed by the senior executives/line managers in VT.

Ashton and Morton (2005, p. 30) described TM as an integration of different initiatives and constructs into a coherent framework. To give further rigour to the review of the roles and skills, the model they developed is used where TM is described in key words of Ethos; Focus; Positioning; Structure; and System. This model (see Table 4.2) was used as a framework for examining the roles and skills of the HR and practitioners and the senior executives and line managers.
The Role and Skills required of HR in VT Group TM Implementation

In order to gain an understanding of the HR role in TM, each of the interviews were analysed in terms of identifying the roles and skills across the different stakeholder groups. Core HR roles and skills were identified by each stakeholder group.

The first view was that of the senior executives’ and line managers” view of the HR practitioner role.
Table 5:8 HR Role– the senior executive/line manager view

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>Senior Executives’ view of the HR role</th>
<th>Key word Descriptor for TM</th>
<th>Line Managers’ view of the HR roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETHOS</td>
<td>Build a shared vision of TM; identify a changed culture; and future organisation and to build an HR team capable of delivering it</td>
<td>Focus</td>
<td>Identify a clear mandate and be able to challenge development plans and say “no” to line managers – not just tick the boxes</td>
</tr>
<tr>
<td>ETHOS</td>
<td>Custodian of the new VT culture and “even handed” in applying and ‘policing’ the process.</td>
<td>Positioning</td>
<td>Facilitate the process, not lead it</td>
</tr>
<tr>
<td>ETHOS</td>
<td>TM is the “most important” for HR at the moment</td>
<td>System</td>
<td>Be confident to challenge the line and facilitate the process, not to own it (HR “flipped flopped” as to whether they owned the process or facilitated it)</td>
</tr>
<tr>
<td>SYSTEM</td>
<td>Capable of “auditing” the population to define and identify talent</td>
<td>Focus</td>
<td>Supply data to senior executives and line managers on testing of people</td>
</tr>
<tr>
<td>POSITIONING</td>
<td>Able to get “buy in” of Senior Executives and Managing Directors in the business to implement TM</td>
<td>Structure</td>
<td>Produce the documentation and get involved and support dialogue and feedback in TM process</td>
</tr>
<tr>
<td>STRUCTURE</td>
<td>Create the tools, processes, templates and support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SYSTEM</td>
<td>Key player at management team level and able to get TM on the business agenda and to get the senior executives and the line managers to champion and implement the process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STRUCTURE</td>
<td>Process owner and modelling the ‘open’ culture role”</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The role described in Table 5:9 is broader than simply supporting an HR process. It has a strategic element and places HR in a strategic role in the organisation. The “policing” and the “custodian” role indicate the control element of HR. However the number of “ethos” descriptions indicates, especially from the senior executives, that much is expected from the HR practitioners in terms of strategic and cultural intervention. The senior executive view was that there was a broad role for HR in TM. HR practitioners must cover the strategic driver role supporting the creation of the ethos of TM, as well as covering the system and processes. The line managers’ expectations are around clarifying the TM process and facilitation of the
process. It is less strategic than the senior executives’ view and more focused on implementation.

The next table covers the HR functions view of the HR role in implementing TM.

**Table 5:9 HR Role - HR View**

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>HR view of HR role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems</td>
<td>A reference point for senior executives and line managers</td>
</tr>
<tr>
<td>Ethos</td>
<td>Establish a coaching culture to support the introduction of TM</td>
</tr>
<tr>
<td>Structure</td>
<td>Most of HR don’t have the specific skills required of TM but are more technically qualified in compensation or industrial or employee relations.</td>
</tr>
<tr>
<td>Positioning</td>
<td>Need to take TM seriously and support it behind the process – (HR and the operational level) make TM happen</td>
</tr>
<tr>
<td>Structure</td>
<td>Experience of implementing TM processes</td>
</tr>
<tr>
<td>Structure</td>
<td>Understand the TM process and have to “get it” especially the HR director level and be the process “owner” but not leader</td>
</tr>
<tr>
<td>Ethos</td>
<td>Commitment more important than skills in order to implement TM</td>
</tr>
</tbody>
</table>

The HR view of the role was influenced by the context of VT Group. One aspect of VT Group was the introduction of a coaching culture referred to in Chapter 2 and also included in an internal presentation on Talent Management to one of the Business Units enclosed at Appendix 7. The coaching initiative was designed in part to equip the senior executives and line managers to successfully implement the TM system. It was also envisaged to be an inclusive process with every VT Group employee ultimately being coached by their line manager. The coaching strategy was to train the majority of line managers in coaching skills to help achieve this. This differed from the TM approach which was an inclusive process designed to focus on senior roles. Although both TM and coaching were supportive of the People Strategy in VT they were different in philosophy and implementation.
The next section looks at the HR skills from the different perspectives of senior executive, line managers (Table 5:11), and the HR function itself (Table 5:12).

Here the skills required of the HR in terms of implementing TM are broad, reflecting the role expectations. Strategic business understanding, people and systems capability, and a high degree of interpersonal skills around facilitating, coaching and counselling are all suggested from the senior executives. Key skills are strategic in the sense of understanding the strategic intent behind TM and selling that to the business.
Table 5:10 HR Skills – The senior executive/line manager view

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>Senior Executives’ view of the HR skills</th>
<th>Key word descriptor of TM</th>
<th>Line managers’ view of the HR skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>Strategic skills create the “big picture” and embed TM into the strategic planning of the organization</td>
<td>Structure</td>
<td>Able to set standards for TM and challenge the senior executives and line managers</td>
</tr>
<tr>
<td>Positioning</td>
<td>Facilitation and high level communication capability</td>
<td>Positioning</td>
<td>Able to achieve ‘buy in’ across the stakeholders</td>
</tr>
<tr>
<td>System</td>
<td>Capability of implementing the TM system and not “outsource it” as a “catalyst” for change</td>
<td>Structure</td>
<td>Facilitation and communication with senior executives, line managers and employees</td>
</tr>
<tr>
<td>Ethos</td>
<td>Able to challenge the senior team and Managing Directors and exceptional interpersonal and persuasiveness skills</td>
<td>Structure</td>
<td>Able to feedback directly and support Senior Executives and line managers in dialogues and benchmarking people inside the organization</td>
</tr>
<tr>
<td>System</td>
<td>Understanding of TM and OD and strategic and process skills to implement TM</td>
<td>Structure</td>
<td>Data and numeracy and analytical understanding</td>
</tr>
<tr>
<td>Structure</td>
<td>Project management, facilitating and process skills</td>
<td>Ethos</td>
<td>Coaching capability to support the TM process</td>
</tr>
<tr>
<td>Structure</td>
<td>HR people with HR rather than traditional “personnel management” skills</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positioning</td>
<td>Able to operate at the “top table” on business as well as HR issues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positioning</td>
<td>Act as “sounding board” and counsellor with senior executives and managing directors in the business units</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positioning</td>
<td>Drive advocacy for TM from the business not from the HR function</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structure</td>
<td>High level numeracy and data analytics skills</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
When looking at the skills required of HR, the line managers are again more focused on implementation rather than on the strategic element highlighted by the senior executives.

Table 5:11 HR Skills – HR view

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>HR view of HR skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>System</td>
<td>Facilitator and internal consultant</td>
</tr>
<tr>
<td>System</td>
<td>Enabler and challenger</td>
</tr>
<tr>
<td>Structure</td>
<td>Project management skills in implementing a TM process</td>
</tr>
<tr>
<td>Ethos</td>
<td>Able to focus on outputs implementation and gaining organisational benefits</td>
</tr>
<tr>
<td>Positioning</td>
<td>Achieve “inclusiveness” through accepting and seeking advice from, and engaging and supporting, the previous experience in TM introductions to identify pitfalls</td>
</tr>
<tr>
<td>Positioning</td>
<td>Communication – of what TM is about; start and end points; and the HR role in implementation</td>
</tr>
</tbody>
</table>

In role terms the focus is more on being a reference point and providing support to the executive and line managers, being the process “owner” but not the leader of the process.

A similar picture is reflected in looking at the skills required of HR. It is very much a supporting role in terms of facilitating the process and acting as an internal consultant. These are the skills that one of the HR managers believed the HR function do not possess currently and will need in the future. The skills required of HR are also reflective of the role in terms of facilitating, communicating, and coaching.
**Combined HR Roles themes**

As a result of reviewing the inputs, five core HR roles were identified across the inputs from the different stakeholders. These covered the strategic driver role and business influencer as well as facilitating and ensuring compliance.

**Table 5:12 HR Roles combined themes:-**

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>HR Roles Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>Strategic HR vision driver linking TM to the HR and broader strategic agenda</td>
</tr>
<tr>
<td>Positioning</td>
<td>Business influencing to get business “buy in”</td>
</tr>
<tr>
<td>System</td>
<td>Operational/process and project support to senior executives and line managers</td>
</tr>
<tr>
<td>Structure</td>
<td>Ensuring compliance and consistency across the TM process</td>
</tr>
<tr>
<td>System</td>
<td>Facilitation and communications around the process</td>
</tr>
</tbody>
</table>

When turning to the skills, the strategic business understanding of the organisation and being able to implement OD/TM activity are key. In addition, in terms of execution, the process and project management skills are needed along with data and analytic skills to process the data coming out of the new TM systems.
Table 5:13 HR Skills combined themes:

<table>
<thead>
<tr>
<th>Key word description of TM</th>
<th>HR Skills Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>Strategic understanding of the organisation and OD and TM</td>
</tr>
<tr>
<td>Structure</td>
<td>Operational/process/project management to enable TM</td>
</tr>
<tr>
<td>Systems</td>
<td>Communication at all levels in the organisation to embed TM</td>
</tr>
<tr>
<td>Structure</td>
<td>Data and analytics to understand the TM data</td>
</tr>
<tr>
<td>Positioning</td>
<td>Business influencing to make TM a business-led initiative</td>
</tr>
<tr>
<td>Structure</td>
<td>Facilitation, Consulting and Coaching support tools</td>
</tr>
</tbody>
</table>

Again, what is notable about the roles and skills is the breadth of knowledge and capability required in the role and the skills and capabilities to carry out the role.

**Summary of HR Roles and Skills**

The senior executives were the stakeholder group that had the highest expectations of the HR function in terms of additions to their current roles and skills. Two elements came through. Firstly, as Lawson *et al.* (2005) argued, in a report based on a survey by McKinsey consulting, that in Europe the HR function did not have the skills and capabilities to service the needs of the business, as capability was still focused in personnel and trade union/industrial skill sets. These “old” skills were clearly evident in the VT group HR practitioners. Secondly, as Guthridge *et al.* (2006) argue, the businesses were relying on the HR function to drive talent management despite the HR function lacking the skill set to embed talent management into the business strategy. The link to the business was a gap from a business process point of view and also from the HR capability. Some of the senior executives at VT also argued that HR lacked the analytical and strategic business skills to support the TM process. In terms of the data and analytic component of the skills required, this too was a potential gap.
The line managers’ views of the HR function were more limited and less strategic than the senior executives, as would be expected. However, as with the other stakeholder groups, they believed that to support TM HR required a high level of facilitation and consulting skills to successfully implement TM.

The HR perspective was the most complex and divided. One of the HR managers felt that the HR function had let down the organisation as there was not a shared vision of the TM process and outcomes from HR. Several of the HR interviewees questioned whether HR leaders in the business had either the skill set or the commitment required to lead and implement the TM process.

One critical view of HR was in relation to “owning” the TM process. One line manager summarised the contradiction where:

…….HR in VT flip flopped between whether they owned things or whether they just supported … (LM2:23)

There was consensus in that there were specific roles and skills required by the HR function in VT to implement TM. It was suggested that the HR function had been upgraded from “personnel management” and had a “seat at the table” and that HR was the “guardian of the new (including TM) culture”.

In addition “softer” skills such as listening, interpersonal effectiveness, persuasiveness, coaching and facilitation were also highlighted. Some of these skills can be grouped with the capability to develop emotional intelligence in developing relationships. More process-orientated project management, process management, consulting and change management
capabilities were also identified and several interviewees referred to the “internal consultant” role and related skillset required of the HR function.

In the next section, the role and skills of the senior executives and line managers will be examined.
The Role and Skills required of Senior Executives and Line managers in VT Group TM Implementation

A similar process for the analysis of the roles and skills of the HR practitioners was then used for the Senior Executives and Line Managers. The interview data from each of the stakeholders’ groups was identified with reference to roles and skills.

The first group looked at was the senior executives’ view of the role of senior executives and line managers in VT.

Table 5:14 Senior Executive/Line Management roles - senior executives’ view

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>Senior Executives’ view of senior executive and line manager role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>Understand the TM positioning in the overall strategic framework</td>
</tr>
<tr>
<td>Ethos</td>
<td>Role modelling and sense of urgency</td>
</tr>
<tr>
<td>Structure</td>
<td>Understand the data emanating from the process</td>
</tr>
<tr>
<td>System</td>
<td>Following up on TM decisions especially individual development plan actions</td>
</tr>
<tr>
<td>Ethos</td>
<td>Believe in TM 100 per cent and prioritise and commit time to it</td>
</tr>
<tr>
<td>Structure</td>
<td>Senior Executives/line managers own the process with support from HR who provide tools and processes</td>
</tr>
<tr>
<td>Ethos</td>
<td>Senior executives role model the process for the line managers</td>
</tr>
</tbody>
</table>

The interview data suggested that the key element of the role was at the “ethos” level of embedding the talent mind-set in the organisation. There was some reference to structure in terms of working with the HR function. It can be described as a leadership role from the business in conjunction with the HR function.
Table 5:15 Senior Executive/Line Management roles - line managers’ view

<table>
<thead>
<tr>
<th>Key word descriptor</th>
<th>Line managers’ view of the Senior Executive/Line manager roles of TM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>To set the standard and to “beat the drum”</td>
</tr>
<tr>
<td>Focus</td>
<td>Not to compromise on hard or difficult decisions to take people out of the business or on weak succession planning</td>
</tr>
<tr>
<td>Ethos</td>
<td>Senior executives to role model and line managers to follow</td>
</tr>
<tr>
<td>Ethos</td>
<td>To accept in TM that talented individuals may pass them in the organisation levels over time</td>
</tr>
</tbody>
</table>

The line managers view (Table 5.16) was similar to the senior executives but there was more emphasis on taking the “hard” decisions as they are closer to the junior teams and also an acceptance that the “talented” may pass the line managers in the organisation hierarchy. For the HR practitioners their expectations (Table 5.17) were focused on setting the strategy and culture and listening to the HR function when the internal consultant/expert role was being taken by HR. in addition the role of the senior and line managers was to “fly the flag” (especially the seniors) and to be involved in the process at both senior and line manager level.

Table 5:16 Senior Executive/Line Management role - HR view

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>HR view of senior executive/line manager role in TM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>Communicating what they want and accepting what they need.</td>
</tr>
<tr>
<td>System</td>
<td>Senior teams and executives identify direction and skills required and organisational culture</td>
</tr>
<tr>
<td>Ethos</td>
<td>Senior Executives/line managers “fly the flag” in support of TM</td>
</tr>
<tr>
<td>Ethos</td>
<td>Senior Executives/Line managers “live” the process and are committed to implement and sustain</td>
</tr>
</tbody>
</table>

The next section will cover the skills of the senior executives from the perspective of the senior executives, line managers, and HR practitioners. From a skill point of view (Table 5.18) the senior executives talked about the emotional intelligence skills around listening,
feedback, and coaching. They also covered the leadership aspect and the implementation of the process in terms of prioritising and facilitating.

**Table 5:17 Senior Executive/Line Management skills - senior executives’ view**

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>Senior Executive/line manager view of senior executive and line management skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>System</td>
<td>Listening, feedback and coaching is required to implement the process</td>
</tr>
<tr>
<td>Structure</td>
<td>Advocacy and communication of the process</td>
</tr>
<tr>
<td>System</td>
<td>Facilitating and prioritising TM to ensure that it is implemented and development plans followed through</td>
</tr>
</tbody>
</table>

The line managers (Table 5.19) focus was on the mandate and the ability to implement through though difficult conversations and also talked about the HR partnership in terms of needing the right skills. The identification of leading and owning the process was for both senior executives and the line managers. There was an additional focus on the ability to take “hard decisions”.

**Table 5:18 Senior Executive/Line Management skills– line managers’ view**

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>Line managers’ view of the Senior Executive/Line management skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>Ability to drive the process and the mandate from the “top”</td>
</tr>
<tr>
<td>Focus</td>
<td>Have difficult conversations</td>
</tr>
<tr>
<td>Structure</td>
<td>Capability to partner with HR</td>
</tr>
<tr>
<td>System</td>
<td>Lead and “own” the process</td>
</tr>
</tbody>
</table>

The HR view on senior executives/line managers was similar in that the skill of “getting things done” was highlighted and also the ability to give direct and honest feedback. They also referred to senior executives’ role modelling for line managers to follow.
Table 5:19 Senior Executive/Line Management skills - HR View

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>HR view of senior executive/line management skills in TM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positioning</td>
<td>Prioritise TM and ensure that it is implemented and development plans followed through</td>
</tr>
<tr>
<td>Focus</td>
<td>To avoid compromise on hard or difficult decisions and able to give direct and honest feedback</td>
</tr>
<tr>
<td>Positioning</td>
<td>Senior executives to role model and line managers to follow</td>
</tr>
<tr>
<td>Ethos</td>
<td>Accept in TM that talented individuals may pass them in the organisation levels over time</td>
</tr>
</tbody>
</table>

In skills terms, there was a focus on broader leadership and people management skills characterised by giving direct and honest feedback. The feedback element was highlighted supporting the view about emotional intelligence and building relationships described earlier. The people management role can be linked to the leadership role required of senior executives and line managers.

When it came to the skills, there was a focus on what could be described as role characteristic in terms of “prioritising” TM. It is described as a skill here because the discussion was around senior executives and line managers being able to focus on this activity rather than the other competing demands on their time from the other business activities and priorities.

The role modelling is also included as a skill because it was about being able to show to the other line managers and others that the commitment was evident.

The next section summarises the roles and skills required of the senior executives/line managers to implement the TM process.
Table 5:20 Senior Executives/line managers’ roles summary

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>Senior Executives/line managers’ role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>TM strategy - Understanding the role of TM and how it fitted with TM and business strategy.</td>
</tr>
<tr>
<td>Structure</td>
<td>Commitment – in terms of prioritisation, time and real belief in TM</td>
</tr>
<tr>
<td>Positioning</td>
<td>Role Modelling – setting the example for the line managers</td>
</tr>
<tr>
<td>System</td>
<td>Process leaders - shared ownership of process with HR</td>
</tr>
</tbody>
</table>

The senior executives’ and line managers’ role was combined in four areas. These were the strategic element of understanding TM; its fit to the organisation; the commitment and role modelling; and the shared process leadership with HR.

Table 5:21 Senior Executives/Line managers’ skills summary

<table>
<thead>
<tr>
<th>Key word descriptor of TM</th>
<th>Senior Executives/line managers’ skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethos</td>
<td>Strategic skills to lead TM</td>
</tr>
<tr>
<td>Structure</td>
<td>Feedback, communication and appraisal skills</td>
</tr>
<tr>
<td>System</td>
<td>Process skills but more in terms of partnering and understanding the process with HR providing project support</td>
</tr>
</tbody>
</table>

On the skills side, the strategic understanding and general people-type skills and process management and partnering were highlighted.

Summary of Senior Executives/line managers’ Roles and Skills

For the Senior Executives and Line Managers, in terms of their role, it was a requirement that they understand the contribution of TM to the business strategy and showed they were committed to lead and prioritise the implementation process. The senior leaders especially
had to “role model” the behaviours and commitment for the line managers. In addition, the senior executives had a shared ownership with the HR function in terms of communicating and implementing TM in the organisation.

In terms of skills, the Senior Executives and Line Managers had to be able to understand the strategic contribution of TM and have enhanced feedback, communication, and people appraisal skills. As mentioned under the partnership with HR, these executives and managers also had to be able to co-lead the process side of TM.

There was a contrasting view of some senior executives believing they “owned” the process and some of the HR practitioners believing that they “owned” the process because of their professional expertise.

In drilling down in the interview discussion, the difference was more the view that the process is owned by the line managers. However, some interviewees in HR felt that they “owned” the process in the sense of “internal consultancy”, support, and partnership.

Both senior executives and line managers (and HR practitioners) agreed that they needed to drive the TM process although there was some overlap and confusion about how this would happen in practice.

In the next section the negative side of TM which came out of the interviews will be covered.

The “Shadow” side of TM - The Challenges and Difficulties experienced in implementing TM in VT Group
In this section each interviewees’ perception, or view, of what is the negative or potential downside of TM is explored.

1. **Over Inflated Expectations from a TM process**

One factor that was highlighted by the most senior executive at VT was the danger of creating expectations in individuals that the organisation or their individual abilities could not match.

An additional point was the need to have a successful and growing business able to offer career opportunities in the company to meet the increased aspirations resulting from introducing a TM process.

2. **Fast track and “Second Class citizens”**

A related concern was that of creating a “fast track” group whereby all of those outside this group would be considered “second class” citizens. This could lead to complacency within the “talented” group and disengagement of those outside this group. The most senior executive felt that the TM process in VT was inclusive and was about developing everyone in the organisation. TM should be open to all in the organisation. There was a difference perception with the most senior HR executive who believed that TM was focused only on a small group of talented people who could make a difference to VT group. Talent and resources to invest in them were both in short supply.
3. **High Reward culture versus a TM culture**

The most senior executive also viewed high reward focused companies with no TM system as having the potential to lead to political infighting. The reasoning was that individuals could compete at all costs with others if there was not a fair process or system to measure and promote talented individuals in a company. This was linked to the argument that TM has to be part of the jigsaw puzzle of running a business and having the right culture.

4. **Lack of support for TM outside of the corporate centre**

Where TM is introduced by the corporate centre, as it was in VT, there are differences of view between the corporate/group functions and BUs. In terms of TM, one senior executive believed that the TM process did not have “buy in” from the business units. He argued that TM operated at too high a level in the organisation and the process did not go down low enough. He argued that it needed to go down two more levels.

Others described a “fractured divisional structure” where the MDs knew their own people but they did not know people from the other divisions so therefore there was not a holistic picture about people. This point was also covered by Guthridge et al. (2006).

5. **Divisions within the HR Function**

In looking at the HR function specifically, there was division among the interviewees who made up this stakeholder group.

At the senior level there was clarity about the business strategy, the strategic role of HR and the development of the VT Group people strategy. There was also a clear view of the role and direction of TM. However, there were differences between the corporate centre and the BUs HR practitioners. This was reflected at the Business Unit HR director/manager level at the
HR, where the most senior HR executive felt that BU HR leaders did not completely accept TM perhaps or did not fully understand it, and therefore how to implement it. There were different perspectives in the corporate centre versus the views of HR functions in the business units and differences between corporate HR and BU HR roles and behaviours. The gap was explained as being due to capability and understanding or potentially being “not invented here”, where the individual BUs HR functions were more closely aligned to the business rather than focused on a corporate-led TM strategy.
Summary

The research question was as follows:

“What factors influence the ways in which TM was introduced, and implemented, in a multinational corporation” (MNC).

The research objectives are to:

• Examine how the different stakeholder groups (senior managers, line managers, and HR practitioners) understand and perceive TM from its introduction, purpose, and outcomes.

• Examine and establish the business, professional and personal roles, and skills implications of TM in a large MNC.

As described earlier in the chapter, a series of superordinate themes were developed and explored during the interview and analysis work. These will be considered in more detail in the Conclusions chapter. Then the data was further reviewed and considered in detail, to look at the roles and skills required of the HR practitioners and the Senior Executives and the Line Managers. These stakeholder groups provide an overall framework from which to examine and explore the data gathered in the interviews.
Chapter 6: Conclusions

Introduction

The purpose of this study was to examine the introduction of TM into a multinational company. Recent research reports by the Conference Board on global CEOs (Mitchell et al., 2012, 2013), identified the top two challenges for CEOs in 2013 as Human Capital first and Innovation second, and in 2012 it was Innovation and Human Capital, respectively. At senior executive level TM is on the business agenda and TM is also one of the most debated themes in human resource management, and also for management in organisations. The topic of TM is also featured in the academic and practitioner worlds and has had a major focus in consulting companies.

The subject of TM is relatively new having developed from the McKinsey consultancy work in the 1990s (Micheals et al., 2001). However, in a recent review of TM literature Thunnissen et al, (2013) suggested that TM had moved into adolescence from infancy, in terms of the maturity of the field. They contend that there is a need to broaden the subject to take account of the importance of context and of the different actors involved. In addition, they argue TM needs to be multi-level, and multi value in approach. TM would encompass an individual, organisational, and societal level and both from a non-economic and economic value perspective so that it can be a wider frame.

Given the importance of TM as a topic this study set out to answer the following research question in order to help fill some of the gaps in academic and practice areas around TM.

The main research question addressed by the research is:
What factors influence the ways in which TM was introduced and implemented in a multi-national corporation (MNC)

The research objectives are to:

- Examine how the different stakeholder groups (senior managers, line managers, and HR practitioners) understand and perceive TM from its introduction, purpose, and outcomes.
- Examine and establish the business, professional and personal roles, and skills implications of implementing TM in a large MNC organisation.

By using a case study approach and Interpretative Phenomenological Analysis (IPA), the study sought to add some empirical evidence to the on-going debates on TM. There was a written policy and process in the VT Group and the methodological approach adopted was a way of getting behind the written documents and the formal TM process to gain an understanding of what the different stakeholder groups, and also importantly individuals within those groups, thought and felt about TM and how it affected them personally. The author had a unique position to carry out the research as the person responsible for implementing TM in the VT Group.

As the VT Group was purchased by Babcock International during the course of the interviews, the interviewees were also in a unique position to give their honest views and feelings about TM. The rest of this chapter will discuss the findings from the research, the limitations of the research and highlight future areas of work and the contribution to knowledge.
Empirical Findings

This section addresses the first research objective and considers the influential factors that were identified by the different stakeholders in relation to the implementation of TM in VT group.

1. Culture and change management

For the VT Group, the new organisation’s strategic direction change was closely related to the need to drive a people agenda. The interviewees universally understood the need to redefine the VT culture as the business changed. This aspect is important as Ashley and Morton (2005) argue the definition of talent and TM needs to be fluid and change as the core business drivers change.

A clear definition of TM aims and outputs and its link to the new culture was not fully communicated (Tansley et al., 2007). In addition, the need to define roles and responsibilities of the stakeholder groups is essential. In the case study of VT, there were gaps in how this was done for all stakeholders, apart from the most senior executive and the senior HR executive who were the drivers of the process. Continuous reinforcement of the core messages is also required so this would need to be done on a regular basis. The TM process in this case study covered a three year period. During the interviews it was clear that several individuals had either forgotten the origins of the TM process and strategic aims, or had not been fully communicated with, or “bought in” to the new direction. Also it was clear that there were multiple definitions of TM in the VT Group both within, and across, the stakeholders.

It is important that the different roles in implementing the process are understood. Role definitions for senior executives, line managers, and HR practitioners need to be clearly
defined and expectations and the aim of the TM system communicated. The creation and use of the Implementation Model of TM in the VT Group (Figure 4.1 page 55) alongside the development of the TM processes would be a useful communication tool in each organisation as they begin to implement TM. Future academic focus on the relationship between TM and the culture of the organisation could be beneficial in building an understanding of TM implementation.

2. Organisation strategy and the strategy process

In turning specifically to organisation strategy, it is arguable that VT did not have a sophisticated strategy process and the company strategy was more "tactical" in nature. VT Group was relatively unsophisticated in terms of its strategy development and planning.

The most senior line and HR executives had a clearer understanding of TM although it was not consistent across these executives. Some of the line managers and HR practitioners had a more limited understanding of the strategic element of TM.

VT Group implemented the TM system for the top organisational levels (two below the CEO), but TM was not consistently implemented further into the organisation or into the technical side of the business. The business planning focused on the core business but the people element was not integrated, so the people strategy and TM was not fully integrated. TM was not part of a business-led strategic planning process so that would ultimately reduce its effectiveness. From a practitioner perspective, more empirical analysis of the business strategy development and planning cycles and integration of TM would be helpful in developing a comprehensive theoretical framework.
3. Role of the new leaders

The most senior executive and the most senior HR executive had a complementary understanding of the business context and TM as a key element of a culture change. As Silzer and Dowell (2010) argue:

We know relatively little about why certain organisations are able to sustain an effective and integrated talent management process over the long term and why others falter. We understand that the CEO and Board of Directors play key roles. However, some organisations manage to maintain a focus on integrated talent management even when top leaders and business strategies change. Practitioners must focus more of their efforts on embedding the talent management mind set into the management model in the organisation.

At VT Group the talent mind-set existed at the senior level but was not part of the management model and never fully established itself. When the business growth and acquisitions slowed down, the perceived need for TM reduced as there were fewer new senior roles, so some senior executives felt that the TM activity was completed. From a practitioner perspective, the embedding of the talent mind-set was not fully achieved and it rested on a few of the senior executives to implement and maintain it. In addition, there were some senior executives who implemented the process in what some line managers perceived to be a negative position. More research would be needed to understand the role of the leaders and their capability to implement TM.
4. Emotional issues involved in implementing a TM system

As indicated in the literature review, there is more interest in the emotional management of executives and managers in organisations. The implementation of a TM process cuts across the business and functions more than other HR processes. More research into the leadership and people management skills and capabilities required to implement a TM process would be useful. An assessment of the executive and line managers’ capability needed to implement a TM process could be undertaken. Potential measurement of an organisation’s readiness might highlight issues and gaps in the leadership. Further work needs to be done on the linkage between managing emotions and Emotional Intelligence and the introduction of TM.

5. Conflict or differences in objectives between the “corporate centre” and Business Units

VT had a traditional shipbuilding culture and transitioned to a service business requiring the creation of a people strategy. Implementing the new people strategy (including TM) was a challenge for the leadership and management in the VT Group. The process was generally viewed as successful for the tier of management that reported into the GEC, but was not successfully introduced to the levels below them in the management structure.

The independence of the BUs with parallel finance, HR, and commercial structures meant that the central group function was unable to mandate the TM process in the businesses. It depended on the alignment and shared understanding from the corporate leadership as well as the business and HR practitioners. In VT Group there were clear differences between the businesses and the corporate centre and these were not explicitly dealt with in the introduction of TM. In the same way that Collings and Scullion (2011) argue that global TM needs to develop a critical understanding of the organisational context, the same could have been applied in VT. VT needed to be capable of identifying the learning of different countries (US and UK) and also of different business units and their contribution to TM. Further work on
identifying the differences between the corporate centre and BUs would help organisations as they implement TM systems.

This next part of this section now addresses the second research objective: the business, professional and personal skills implications of implementing TM in a large MNC organisation.

1. Role and skills required of the senior executives and line managers to implement a TM process

The senior executives were the stakeholder group that had the highest expectations of the HR function in terms of additions to their current roles and skills. Two elements came through. Firstly, as Lawson et al. (2005) argued, in a report based on a survey by McKinsey consulting, in Europe the HR function did not have the skills and capabilities to service the needs of the business, as capability was still focused in personnel and trade union/industrial skill sets. These “old” skills were evident in the VT group HR practitioners. Secondly, as Guthridge et al. (2006) argued, the businesses were relying on the HR function to drive talent management despite the HR function lacking the skill set to embed talent management into the business strategy. The link to the business was a gap from a process point of view and also from the HR capability.

Senior executives at VT also argued that HR lacked the analytical and strategic business skills to drive TM and also the data and analytic component of the skills required. The line manager groups believed that to support TM, HR required a high level of facilitation and consulting skills to successfully implement TM.

The HR perspective was the most complex and perhaps most important. One of the HR managers felt that the HR function had let down the organisation as there was not a shared vision of the TM process and outcomes from HR. Several of the HR interviewees questioned
whether HR leaders in the business had either the skill set or the commitment required to lead and implement the TM process. It was also unclear whether the line/senior executives or HR owned the TM process.

There was consensus in that there were specific roles and skills required by the HR function in VT to implement TM. It was suggested that the HR function had been upgraded from “personnel management” and had a “seat at the table” and that HR was the “guardian of the new (including TM) culture”.

In addition “softer” skills such as listening, interpersonal effectiveness, persuasiveness, coaching and facilitation were also highlighted. Some of these skills can be grouped with the capability to develop emotional intelligence in developing relationships. More process-orientated project management, process management, consulting and change management capabilities were also identified and several interviewees referred to the “internal consultant” role and related skillset required of the HR function.

2. Role and skills of HR practitioners to implement a TM process

There was an interesting difference in the perception of the HR role between the most senior line and HR executives in VT. While the senior executive believed the HR function had been upgraded to a “seat at the table”, the senior HR executive (SHR1) believed that the problem in implementing below the senior level was due to the ability or commitment of the HR leaders in the individual businesses. She believed the business leaders had understood the benefits of TM but lacked the HR advocacy skills to support and implement it in their own BUs.

Some interviewees in the line and HR practitioners argued that HR lacked capability and hence was seen as tactical and not strategic. This view is more focused on skills than role. A
contrasting view is the suggestion from a line manager that the CEO should have separated TM from HR and placed TM directly with business leaders, with the responsibility to implement separately from the HR function. This view was that the role should be separate in the organisation because it contrasted so much with the traditional HR activities. In addition, the line manager argues that very few of the HR practitioners had the strategic skills and personal credibility to implement TM.

HR practitioners in VT predominantly were focused on industrial relations and “personnel” type activities and had their experience in these types of roles and had these skill profiles. While the most senior executive believed that the HR function had been upgraded to have a “seat at the table”, the perception in the HR practitioners’ group and other stakeholders was divided on the question of whether the HR function in VT was able to fulfil the roles and skills required to implement TM in VT.

More technically orientated project management, process management, consulting and change management skills were also identified, and several interviewees referred to the “internal consultant” role and skillset. Skills such as listening, interpersonal effectiveness, persuading and facilitating that could enhance the emotional intelligence capability of line managers was also a key focus.
Recommendations for Future Research

Future research into TM needs to adopt a broader framework and to take account of future trends. Collings et al. (2013) pointed out the dominant influence of North American thinking and research by US based scholars and Thunnissen et al. (2013) have proposed a broader definition of the TM field.

This study has developed some thinking around the stakeholder groups and the individual perspectives within them. It has also highlighted the emotional element in organisations and the need to focus on individual contexts for TM. In addition the work on the skills and roles of the actors has indicated that the capability involved in implementing TM systems is broader for senior executives, line managers, and HR practitioners. Further research into individual perspectives within the stakeholder groups would help understanding of TM practices and improve understanding of individual’s motivations and organisation outcomes. Potentially this could be linked to leadership roles and models within the organisation. Additional work on the role of Emotional Intelligence in the introduction of TM activities could also be undertaken. One of the other areas that has been raised is the thinking within the HR function when implementing talent systems.

Some potential research question might be:

- What leadership roles/models and leadership capabilities are required to effectively support TM introduction, implementation and sustainability in different types of organisations, e.g. across different industry sectors and nationalities.
- What role does Emotional Intelligence fill in the establishing of TM processes and systems across different industry sectors and nationalities/cultures?
What is the role of the HR/Talent practitioners, line managers and senior executives and how does this fit with, and adapt to, different organisational contexts

Limitations of the Study

The study has taken a case study approach and used the IPA methodology to investigate a small group of people in an organisation that had implemented a TM system. The study had a small sample size of ten people in line with IPA practice. It would be beneficial to take larger or different samples, and different types of organisations and cultures, and attempt to replicate some of the approaches and assess the findings. However, the small sample size enabled the in-depth consideration of each individual’s story and perceptions and beliefs in line with the benefits if the IPA approach.

The study was of a UK based plc. and included North American and Middle East staff in the TM implementation. Future studies would need to broaden the base and type of organisations to get a broader picture of TM implementation across other types of organisations.

Contribution to Knowledge

1. Managing emotions

The research in the thesis indicates that talent management provokes emotional responses amongst those involved and that this has so far been given scant attention in the research literature. This area of focus emerged unexpectedly during the interview process and highlighted the emotional element that exists in organisations and particularly so with talent management processes. There is a need to take account of emotions of participants in a TM
process. The emotional response was apparent from one line manager and one of the HR practitioners. This led to a further review of the interview data which highlighted emotional responses from among line managers and HR/talent practitioners. Much of the literature assumes that TM is a ‘technical-rational’ process but this research indicates that much more careful attention needs to be given to the emotive and affective issues provoked by TM processes and strategies. This applies to all the participants - senior executives, line managers and HR and talent practitioners.

2. **Business Strategy integrated with HR & TM**

The literature around TM has tended to develop from an assumption that TM is a strategic and analytical process or alternatively as a learning and development process. The research implies that that TM can only be understood as a result of complex and iterative interactions of both outcome and process features. Both are important and need to be taken into account as well as the emotional component described above. A further aspect that was highlighted during the interviews was the requirement for strategy processes that are holistic to include people strategy (and hence TM) rather than only focused on business goals outcomes. The implementation of TM should be integrated with a people or an HR strategy integrated with business strategy and outcomes. If TM is aligned to the business strategy and the strategic processes within the organisation will bring clarity of purpose for TM. This integration of TM could also lead to clearer outcomes and a measurable return in terms of the organisation’s objectives and strategies.
Contribution to Practice

1. Organisation Culture and Context
As part of the introduction and establishment of TM in an organisation, there is a need to assess the existing organisation context, and culture. This should take account of each organisation’s history, leadership, and business strategy, and business agenda. This approach will give the TM a context from which to position the process and to develop a tailored approach to TM in terms outcomes.

2. Organisation structure and relationships
It is important to assess the current organisation and potential structural or internal cultural differences. In VT group there was conflict or possible differences in objectives between the “corporate centre” and individual Business Units. This area was underestimated in the VT Group case study. Understanding these aspects will improve the effectiveness of the TM and remove potential barriers in implementing the process, the implementation, and the outcomes.

3. Alignment of people strategy and business and strategic processes
In terms of TM implementation it is important to integrate the people strategy and define the business outcomes and the organisational strategic processes. TM needs to be integrated into the broader business context and strategy. This is especially important when trying to measure progress of the change and also the changes year on year, when the business strategy changes which will require the TM approach to change also. If clear outcomes are defined the measurement process of TM is more straightforward, as well as defining the subsequent changes in business strategy.

4. Communications Strategy
There is a need to develop a communications strategy that outlines the goals/objectives and the roles and responsibilities for everyone involved in the process and this was identified in
the interview process. The communications strategy must also cover the lifecycle of the intervention on TM not just the launch period for example. This could be several years and TM is typically a medium or long term intervention, and is also iterative and changes over time. The interview feedback reiterated that communication of the overall goals of the TM process and everyone’s roles within the process needs to be clearly communicated and followed up on and regularly reviewed and updated.

5. Assessment of the leaders
A factor that was raised by several interviews is that of the capability or readiness of the leaders introducing a TM processes in terms of their having the capability, commitment, alignment, and mind set to successful implement. For any organisation about to embark on implementing a TM process this aspect is an important factor to take into account. The VT Group case study was driven by a new CEO and HR Director. When considering the implementation of a TM system there should be some account taken of the leadership commitment and mind set of those leaders to a people strategy, and the related TM process. More empirical studies of the role of leadership should be considered, including trying to measure the mind set and commitment gap.

6. Assessment of skills/capabilities
As indicated above there is a need to have broad capability and commitment to achieve effective implementation of a TM process there are also related factors around the required skill sets and behaviours demonstrating that commitment. These skills and behaviours are required of senior executives, line managers, and HR practitioner’s and need to be assessed as part of the introduction of TM. It is also essential to get an understating of the roles and skills and expectations under a TM process of the senior executive, line manager, and HR/talent practitioners.
Thus study aimed to understand and evaluate the introduction and application of TM in one organisation. The study has indicated that TM is a developing and complex concept and that to implement it effectively requires a deeper understanding of the organisation context and the business environment in which it is applied. TM also needs to take account of emotional responses which result from implementing TM, as it is more than a process, and this aspect has been underestimated in previous research. Finally TM is developing a broader approach both within organisations and society and will require individuals and groups who implement TM approaches to have broader skills and capabilities.
Chapter 7 Personal Reflection

Introduction

The purpose of this chapter is to reflect on my personal development since my DBA professional development portfolio was produced and marked in 2009. By completing this Doctorate I am bringing together all the learning from the formal and informal development I have undertaken, as well as my professional development within my employing organisations and other activities.

Reasons for choosing the DBA

I decided to take on the DBA because I wanted to build on my practitioner knowledge having been in talent development roles at a number of multinational corporations since the 1980s. I also wanted to experience academic life and develop more critical thinking as a student. As well as being in the corporate world, I have had a long association with Portsmouth University, firstly as a member of the Business School Board and latterly as a Governor of the University. This year I completed a five year term as a Governor. I also want to contribute to development of the TM field, to which I was, and remain, passionately committed. The next section will cover some significant changes that happened during the time spent working on the DBA.
Changes During the life of the DBA – Personal and Professional, and Motivation

I described in Chapter 2 the sale of VT Group’s shipbuilding assets to BAE systems plc in 2009. This action then led to the sale of the remainder of VT Group to Babcock International in 2010 which was partly linked to the developing financial crisis at that time. My original intent with the DBA was to make it more of an action learning approach and to feed that learning into an improved version of the TM process for VT.

My role as Director of Executive Development and Succession Planning was made redundant as part of the takeover by Babcock International of the VT Group. From a personal point of view, the sale of VT Group led to a career move into consulting initially, and then into a role as Head of Talent EMEA for a global US bank, a post in which I have held for the past three years. The end of my VT role also gave me time to reflect on my professional and personal goals, and family life.

I was able to take my family on a “road trip” in the United States in 2010 and to reflect on the future for my career and professional life choices, as well as my DBA studies. In both career and studies there was a question of what to do next? I decided after a period of reflection that I wanted to remain in the talent development field either as a consultant or corporate practitioner.

I also decided that I wanted to continue with my DBA although the original direction in terms of its output had changed due to the acquisition of the VT Group by Babcock International.
The DBA thesis had to be refocused away from the action learning approach to more of a focus on the historical review and lessons learnt from an academic and practitioner point of view. I talked with my supervisors at Portsmouth University for advice and input, and decided to continue with the DBA as I felt personally committed to the potential value of the work that had been undertaken.

There was a major unplanned benefit for the DBA as the timing of the sale of the company meant that the interviewees had either left VT or joined Babcock and could therefore comment without any concern as to whether it might affect their future career in VT group. I was surprised at how deeply the interviewees thought about TM and how they "felt" about the TM process. Several commented how much it had affected them as individuals, both personally and professionally. I think the level and depth of that input may have been reduced if their career prospects were still being considered within the VT organisation. This benefit was also part of my learning as I began to understand that TM was much broader than an HR process and had implications for people beyond a simple process.

During this period of working on my DBA my personal motivation changed from being initially focused on action learning and with a narrow application to the future of TM in VT Group, to a much broader contribution. There was personal development in increasing my understanding of TM and getting to know best practice in the practitioner and academic fields, and also becoming more aware of the "dark side" of TM. I had been less interested in the potential “negative” effects of TM as my role required me to be an advocate and champion of the approach. By adopting a broader perspective through my work on the DBA, I realised I might be able to gain insight into theoretical frameworks and best practice that could help others working in the TM field.
The next section looks at my personal learning through the DBA.

I had, prior to the DBA, completed the Myers Briggs Type Inventory (MBTI) and have a profile of ENFP (Extroverted, iNtuitive, Feeling, Perceiving). During the DBA as part of the taught element, I also reviewed the Kolb (1984) learning preferences. The four distinct learning styles are shown in the table below.

<table>
<thead>
<tr>
<th>Feeling (Concrete Experience - CE)</th>
<th>Doing (Active Experimentation-AE)</th>
<th>Watching (Reflective Observation- RO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>accommodating (CE/AE)</td>
<td>diverging (CE/RO)</td>
<td></td>
</tr>
<tr>
<td>Thinking (Abstract Conceptualisation - AC)</td>
<td>converging (AC/AE)</td>
<td>assimilating (AC/RO)</td>
</tr>
</tbody>
</table>

My preference would be the “diverging” which is a focus on watching rather than doing and using information and imagination to solve problems. This learning style is associated with people who view things from several different viewpoints and in situations that require idea generation. This style fitted with feedback I had already received on my MBTI profile.

A further correlation comes from the work of Honey and Mumford (1986). Having previously been assessed using Honey and Mumford as someone with a preferred Reflector style, my personal assessment that I was closest to the Diverging category seemed correct (see correlation between the Kolb and Honey & Mumford categories below).

- Activist = Accommodating
- Reflector = Diverging
- Theorist = Assimilating
- Pragmatist = Converging
Another model that I used was derived from the work of Bridges (1995) who developed a model called DATA which examines Desires, Abilities, Temperament, and Assets. Bridges developed the model to help people break away from a “job” mind-set to one focused on future possibilities. This model was useful in my own period learning and change during the DBA. It provided a framework to consider strengths and weaknesses. Looking at the Desire factor, which considers what you want to achieve in life terms, I have been a TM professional for a number of years and intend to continue with this. Applying this to the DBA, I had a strong desire to think differently around TM and I had questions during my career about the role of TM during implementation and I wanted to develop broader thinking and ideas around the topic.

In terms of the next factor, Abilities, I had been entirely focused on the TM-type practitioner role in corporations for over 20 years and so I had more of a corporate practitioner mind-set than an academic one. This was a strength, in terms of the DBA as I had an extensive internal corporate knowledge of VT. My use of VT as a case study meant I had access to stakeholders at all levels in the VT Group and an understanding of the organisation strategy and execution from inside the company. In addition, I had some knowledge of the TM industry and practitioners’ models and approaches.

A major weakness was that I had little recent knowledge of the research process and learning, in writing and researching from an academic perspective. I also had not been writing in an academic way for over thirty years since I had completed an MSc in Urban Studies. This was improved during the drafting of chapters and the course work during the DBA.
The Temperament factor was challenging in that my preference is in working in new areas and seeking solutions in work situations, often as part of a team. I had a strength in the desire to learn new things and concepts but was less equipped to follow things through in detail and in following procedures. Working on my own with long-term deadlines rather than short-term focused objectives was also a challenge. I found the work on critical thinking extremely challenging as I wanted to implement and execute rather than think and reflect on the interviews continuously over a period of time; reflecting on the content of the literature review was another example.

The Assets element of the DATA model refers to the life history or life situation that can be turned to an advantage. As discussed above I had an advantage through adopting a case study research approach by being in a TM role in a company and having been on the “inside”. Additionally I had throughout my career worked with different consultancy groups and professional bodies and also engaged in discussions with them on TM approaches and different developments. An example of this is that I was a member of the CIPD Project Steering Group which contributed to the CIPD Report on Talent (Tansley et al., 2007).

As part of the DBA at Portsmouth I submitted a paper on “Implementing Talent Management in a large scale UK plc” at a Portsmouth University Business School Conference on 11th May 2011. I subsequently submitted a paper on “Implementing Talent Management in a large UK plc – The Role of HR” as part of the Doctoral Workshop at the 12th International Conference on Human Resource Development Research and Practice across Europe.” The editor of the Journal of European Industrial Training informed me that the paper was considered the best international HRD paper at the UFHRD conference and suggested submitting a paper for publication. Unfortunately due to work commitments I was unable to prepare the paper.
The focus on reflective learning (Moon, 2004) was a change point in my learning during the DBA. In terms of TM I had always focused on the implementation of the TM process and had not really considered the emotional element, and the motivation and concerns of those that were not considered "talent". Also I had assumed TM was a good thing in its own right and had not always connected TM to the organisation strategy, the relationship within organisations of different groups. This learning during the course of the DBA has had a benefit subsequently in my career as a TM professional and making me more aware of critical thinking and reflection on TM and the emotional side of this work and its “meaning” to others. This in turn has had a positive effect of improving my understanding of TM and also my communication and messaging around TM processes with senior executives, line managers, and other TM and HR professionals. In my current role, that has enabled me to take a much broader view of TM, its link to organisation strategy and its implementation.

**Challenges**

During the course of the DBA there were three main areas of challenge:

1. **VT Group was acquired by Babcock International and shipbuilding was sold to BAe Systems plc.** During the course of the DBA there were two organisational changes. Firstly, the shipbuilding assets of VT Group were sold to BAe Systems plc. As described in Chapter 2 this had been a key part of the VT Group organisational transformation and had been planned for several years. Secondly, a year later the remaining element of VT Group was acquired by Babcock International plc. This was a major challenge as the DBA had to be repositioned as it originally had been an action learning research approach. The DBA was redesigned with the support of my supervisor.
2. **Balancing the demands of work and study.** During the course of the DBA there was the challenge for the time required to study for the DBA. At VT Group the DBA objectives were closely integrated with the workload I had as Director of Executive Development and Succession Planning. Once VT was purchased and I moved onto consultancy work and then a challenging new corporate role in London, the DBA workload was in addition to the job role and then it was more difficult to plan and deal with conflicting time demands.

3. **New skills and capabilities.** Undertaking a DBA meant that there was a need to develop new skills in understanding the research process and how to carry out research. In addition, there was a need to learn new techniques to implement the DBA and also develop broader personal skills like critical thinking and reflexion.

### Conclusion and Action Plan for Future and Personal Development

The DBA has been a challenging exercise which has stretched me as well as enhancing my personal learning and professional capabilities. I intend to continue my study of the field of TM, which is still developing, as a TM professional. One of the major changes has been my understanding of TM as being more than an HR process. Recent work by Thunnissen *et al.* (2013) has added new perspectives and theoretical frameworks and introduced the potential economic and non-economic value to be created by TM at an individual, organisational, and societal level. I also intend to take on more study around coaching which will further enhance my skills to apply TM.
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Kets de Vries, M.F.R. (1994), The Leadership Mystique, Academy of Management Executive 8, 73-93


Appendix 1: VT Group People Strategy

Group People Strategy

VT Vision Statement

To be recognised as the number one international government services group.

People Strategy – Vision Statement

To align VT employees in support of the Group’s vision, ensuring that we have the necessary competence, commitment and performance focus to meet our strategic targets.

Introduction

The Group People Strategy has been constructed following an extensive consultation process involving cross functional teams from all business units. The guiding principle is that the role of the centre is to provide the guidelines and expertise to ensure that business units develop local strategies that support the Group Strategy according to their own needs. We call this “freedom within a framework.”

Our competencies are common across our diverse businesses. At VT we recognise that people are key drivers of profitability and stable growth. Our values reflect the importance of people, performance and the relationships we build with our customers and suppliers. This gives a clear direction for the HR function and our focus must be on supporting the development of a culture that embodies these values.

To help communicate our strategy we use the following model developed by Deloitte.

![Develop - Deploy - Connect model](image)

- **Develop**
  - Competence
  - Commitment
  - Performance
  - Alignment

- **Deploy**

- **Connect**
  - If we develop people and deploy them effectively we will develop their competence
  - If we develop people and connect them to the business we will gain their commitment
  - If we connect people to the business and deploy them effectively we will align all business units behind the Group strategy
  - All these combined will deliver improved performance
Develop

In the competition for talent the Group is dedicated to offering opportunities for all employees. We will seek to improve skills, competencies and management capability both by effective training development and the provision of rewarding and challenging work. Line Coaching will be an underpinning requirement, encouraging employees to take responsibility for their own and others’ learning. We will actively seek out the most talented employees and target resource appropriately.

Deploy

We believe that employees perform best when given challenging roles and the environment to succeed. We will therefore seek to deploy employees effectively across the Group. In practice this will mean movement of employees across and within divisions at more frequent intervals linked to development and career planning.

We are committed to deploying our most talented employees in the areas that are most critical to our long term success. We are dedicated to providing equality of opportunity for all.

Connect

Few successes are achieved in isolation and we rely on teamwork to win bids and deliver solutions to our customers. We will therefore promote and support the development of formal and informal networks across the business.

We believe that when employees are aligned behind a common vision and set of values they have a greater connection to their employer. We will seek to embed our vision and values throughout the organisation through clear leadership, two-way communication and action that encourages employees to become key stakeholders.

In this environment we understand that job satisfaction and pride in the company’s activities, internally and within the community, will be important.
## Goals

<table>
<thead>
<tr>
<th>Goal</th>
<th>Objectives</th>
<th>Activities</th>
<th>Timeframe</th>
<th>Centre responsibility</th>
<th>Measurements for Success</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Creating the performance culture</td>
<td>To identify and evaluate behaviours that drive a performance culture</td>
<td>• Develop 360° behavioural instrument</td>
<td>'06-'07 financial year (1st half)</td>
<td>Group HR Operations Director</td>
<td>Percentage of take up of relevant levels. Feedback from GEC &amp; MD’s. Action plans for performing managers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Pilot coaching programme</td>
<td>'06-'07 (2nd half)</td>
<td></td>
<td>Incentive pay at market levels for senior levels</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Review senior appraisal process</td>
<td>'06-'07 (1st half)</td>
<td></td>
<td>Incentive pay at market level for all levels. Normal distribution of incentive pay. Performance management tool in use through company. Poor performers identified. Levelling system used as a reference in all divisions.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Training</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Develop framework</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Propose executive changes to GEC</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>• Amend policy documents and communicate</td>
<td>'07-'08</td>
<td>Group Reward Director</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Business units to review own reward strategies</td>
<td>'07-'08</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Effective deployment of the most talented</td>
<td>To implement the proposals of Group Reward project team</td>
<td>• Finalise process</td>
<td>'06-'07 (1st half)</td>
<td>Executive Development &amp; Succession Planning Director</td>
<td>Increased performance of talent pool.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Pilot test</td>
<td>'07-'08</td>
<td></td>
<td>Retention of High Performers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Expand to senior managers</td>
<td></td>
<td></td>
<td>Effectiveness of system through provision of data analysis.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Cascade through other business units to develop talent pipeline</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Complete succession planning analysis</td>
<td>'06-'07 (2nd half)</td>
<td>HRD’s</td>
<td></td>
</tr>
<tr>
<td>3. Raising all employees’ performance by a couple of notches</td>
<td>To implement Talent Management Project Team proposals</td>
<td>• Set up steering group across business units</td>
<td>'06-'07</td>
<td>Group HR Ops Director</td>
<td>Group meets &amp; agrees scope and timeframe for project. IT system live.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Develop IT capability</td>
<td>'06-'07</td>
<td></td>
<td>Plans in place for use.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Education across business units</td>
<td>'07-'08 1st half</td>
<td></td>
<td>Plans being produced.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development of tools</td>
<td>'07-'08 1st half</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Education and training within business units</td>
<td>By end '07-'08</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Building skills for the future</td>
<td>To ensure that we can accurately identify and develop competencies as identified by the organisational competence project team</td>
<td>• To analyse and collect data on key competence across the organisation</td>
<td>'06-'07</td>
<td>Group Executive Development &amp; Succession Planning Director</td>
<td>Extensive competency databank across organisation. Use of databank by Business Unit and Group. Feedback from Business Unit’s</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Develop toolkit</td>
<td>'07-'08</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Set up master classes</td>
<td>'07-'08</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Design risk</td>
<td>'07-'08</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ticket to the game</td>
<td></td>
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</tr>
</tbody>
</table>
| 5 | 1. To produce business relevant data  
2. To develop employee self-service systems  
3. To ensure all BU’s are legislatively compliant | • Continue Resource Link implementation  
• Audit carried out & actions taken where necessary | '06-'07  
'07-'08  
'06/'07 |
|   | Feedback mechanism in place from Operations re: data capability & usage.  
Web-enabled self service available. | Group HR Ops Director  
HRD’s | |
|   | To develop employee feedback system and BU action plans |   | |
|   | To communicate the individual value of the total reward package |   | |
|   | To provide attractive and competitive benefits |   | |
|   | To develop Corporate Social Responsibility strategy |   | |
|   |   |   |   |
| 6 | A dream employer brand |   |   |
|   | To develop employee feedback system and BU action plans | • Focus groups, individual feedback and action planning  
• Value statements - Executives  
- Managers  
- Front-line employees  
• Flexible benefits, pension planning, ShareSave, SIP  
• Other benefits  
• Seek data and information  
• Set up reporting systems  
• Education  
• Communication internal and external | End '06-'07  
'06-'07  
'07-'08  
'08-'09  
'06-'07  
'07-'09  
'06-'07  
'07-'08 |
|   | Programme in place & results available.  
Actions agreed and implemented.  
Total reward statements received by everyone.  
Employees understand value of reward package.  
Percentage of take up of flex.  
VT an employer of choice.  
Positive feedback from employees.  
Feedback from CSR investors.  
Approval by BITC and other industry bodies.  
Internal approval from employees.  
Reduced costs on energy, water and waste | Group HR Ops Director  
Group Reward Director  
Group Reward Director  
Group Health Safety & Environment Director | |
Talent Management Project Team

Principles and Policy Document

December 2005
Team Members:

Jo Robbins
Doug Umbers
Karen Hinnigan
Trevor Cartwright
Sandie Welsh
Dave Mitchard
Caroline Groom
Sunny Thakrar
Content

INTRODUCTION  160

Definitions ......................................................................................................................... 3

KEY PRINCIPLES ............................................................................................................. 161

TALENT MANAGEMENT POLICY .................................................................................. 161

Overview ......................................................................................................................... 161

1. The Identification of Talent  162
   Performance  163
   Potential  163

2. The Development of Talent  163

3. Measuring our Results  164

ROLES AND RESPONSIBILITIES .................................................................................. 165

GEC AND SFG .................................................................................................................. 165

THE HR FUNCTION ......................................................................................................... 165

BUSINESS UNIT HR DIRECTORS/MANAGERS ............................................................. 166

Appendix 1 ...................................................................................................................... 12
Introduction

What do we mean by talent and talent management?

Talent: Individuals who set themselves apart by having the drive and ability to become future business leaders.

Talent Management: A system to identify, nurture and use high potential/high performing people for strategic benefit.

VT Group accepts that talent may arise from two sources, firstly, talent that is scarce and senior, and, secondly, the latent ability, or actual high performance demonstrated by many employees across the organisation.

It is of strategic importance to VT and part of our core values that both these groups are nurtured, developed and effectively deployed within our business to best effect.

Our objective therefore is to develop a group-wide approach to the management of talent that will develop high calibre people in the context of a high performing culture.

This document aims to set out the principles governing Talent Management in VT Group and the policy and the process that will support it.

Definitions

Executive Population: The J.V.’s MD’s and the Strategic Focus Group and their direct reports.

Executive Talent Pool: The small group of senior executives within the Executive population identified as having the talent to achieve senior executive positions within FTSE 250.

Talent Panel: The GEC talent sponsor (which is a main board director) the Executive Development & Succession Planning Director and another member of the GEC

Talent Pipeline: High performance and potential demonstrated by individuals across the group who are outside of the Executive population
**Key Principles**

1. Talent is rare and exceptional.

2. The Company must develop, deploy and retain its talent for the strategic benefit of the business.

3. Talented people should have the opportunity to move approximately every three years.

4. The best way to develop future talent is by providing interesting, challenging and rewarding work.

5. Talent should be recognised and rewarded at upper quartile levels.

6. Talent will be deployed into assignments that develop capability and delivers real value.

7. Talented people must be personally mentored, coached and supported by the most senior executives in the Group.

8. To be regarded as a Talented Person does not mean you belong to an exclusive club. Talent will be assessed annually and the Group will continue to bring in talent from the outside.

9. Significant resources will be targeted to support talent mobility, education and learning.

10. We will promote Talented People early and take risks on their performance ability.

**Talent Management Policy**

**Overview**

VT Group has doubled in size over the past four years. It will continue to develop by organic growth and acquisition to achieve its vision – ‘To be recognised as the number one International Services Group’.

Employees are key to our future success. VT relies on its people to deliver superior services to its customers. VT will therefore actively develop the workforce through provision of work-based learning, technical training, development programmes and active coaching.
Leadership is however fundamental and the identification and the accelerated development of high potential and high performing managers is critical. The Company is committed to identifying, developing and deploying talent across the business.

It is also committed to attracting new talent into the organisation. It will continue to develop a culture and Employer Brand that appeals to managers from outside the organisation. The Talent Management Policy has been designed to identify and develop internal talent pools, however, it should be noted that external talent will also be important.

1. The Identification of Talent (Appendix 1)

1.1 VT will target its resource and talent management systems on the business critical roles and the identified key organisational competencies that will ultimately drive our success. The key roles are:

i) Business Unit/Divisional Directors
Leaders operating across a broad range of operations in manufacturing and support services. Significant profit and loss authority and accountability.

ii) Business Winners
sales managers, commercial negotiators and entrepreneurs that may arise in any work area, functional and operational. Able to win profitable contracts.

iii) Programme Directors
Talent that delivers large multi-project programmes on time and on budget to the customers’ satisfaction.

1.2 In addition we will seek to identify and develop leadership talent across all functions.

Talent is rare and it is unlikely that there will be more than a handful of people who the Company might consider as having the drive and ability to become future business leaders, i.e. a member of the Group Executive Committee.

The Group will utilise an identification tool (ID) for the Executive population. It is our goal that the business units will apply the tool more widely for anyone in the talent pipeline. The ID tool cannot simply be a rating system; it may also be used to initiate dialogue around performance, potential learning and career management.

The ID tool will separate out performance and potential. The Executive population will be reviewed every 12 months.
1.3 **Performance**
The track-record of an individual. These are the strategic competencies identified by the Group as essential to our long-term success. The competencies are aligned to our values; Passionate about People, Performance Driven and Partnering with Customers and Suppliers.

1.4 **Potential**
The personal agility and versatility of an individual. This is the willingness and ability of an individual to learn new skills in tough unfamiliar environments; to search for solutions, drawing on broad resources and the application of foresight, experimentation and appropriate leadership/team working behaviours.

2. **The Development of Talent**

2.1 The group will invest significant resource in the Executive Talent Pool through effective learning and deployment. The Talent Panel chaired by the Executive Development & Succession Planning Director will determine how the executive talent pool might be most effectively developed. The Executive Talent Pool will have direct access to the GEC and each will be mentored by a GEC member. The panel will also take responsibility for succession planning, ensuring that the talent pipeline is promoted and deployed in accordance with our principles.

These members of the Executive population who have not been categorised as the Executive Talent Pool, ie. key players or misplaced, will develop with HR and line management appropriate development and/or action plans.

2.2 **Managing the Talent Pipeline.**
At other levels in the organisation the HR function will develop and publish career maps for the talent pipeline and encourage talented people to move across the organisation developing laterally as well as vertically. One of our key principles is that talent is developed by the provision of interesting challenging and rewarding work. This, coupled with active line coaching complemented with formal learning according to individual needs will be the driver of our success.
Measuring our Results

Return on investment is hard to quantify, however, the Group will develop appropriate metrics to measure success. The following list is not exhaustive.

i) Increased Performance of the Talent Pool
   This may be measured utilising a number of methods.
   - Achievement of performance objectives
   - Annual assessment against key competencies
   - Promotions
   - Feedback from self, peers and GEC/SFG members

ii) Retention of High Performers
   - Analysis of leavers
   - Percentage of key positions filled by the talent pool
   - Bench strength – talent pipeline as a percentage of senior management positions

iii) Effectiveness of the Talent Management System
   - Raised awareness of the system across the Group
   - Analysis of mistakes – talent pool nominees who fail to be nominated in subsequent years
   - Data relating to cross-functional, cross-divisional roles – amount of movement across divisions
   - Average time spent in each position
   - Depth of the talent pool
   - Number of developmental positions filled by talent pool
   - Commitment of GEC/SFG to the process
Roles and Responsibilities

GEC and SFG

The commitment by the leadership of the organisation will determine to a great extent how well the Talent Management system is accepted across the Group. The key role of the GEC/SFG is to:

- Identify talent gaps and future requirements for frequent discussion at Team Meetings
- Champion the Talent focus and agenda
- Question and challenge each other and the HR team about talent
- Actively participate in coaching and mentoring
- Review the effectiveness of the talent management programme
- Ensure interesting challenging and rewarding roles are allocated to the Talent Pool
- Release own talent pipeline to wider opportunities across the Group
- Appoint GEC sponsor for Talent Management, who will be responsible for reporting annually to the GEC against the performance measures

The HR Function

The Executive Development and Succession Planning Director will be responsible for managing the Talent Management System. She/He will ensure that the process is documented and correctly administered by the HR function across all business units.

The Executive Development and Succession Planning Director will chair the Talent Panel to review and develop the Executive Talent pool. This role will design the tools of the Talent Management system including:

- Assessment summaries for leadership
- Talent profiling tools and methodology
- Cross-business unit talent calibrations
- Guiding the process of role/position and profiling
- Contributing to specific talent programmes
- Coordinating assignments and placements for accelerated development
Coordinating external talent acquisition process in liaison with the Group HR Operations Director

Educating line management as to their responsibilities for talent management

The provision of networking events for talent pipeline

Development of systems to record data and appropriate metrics

**Business Unit HR Directors/Managers**

Business Unit HR Directors/Managers will be responsible for devolving the Executive Talent Management Process into their Business Units with the objective of producing a talent pipeline. The HR Directors/Managers will work with their colleagues to agree line accountability. They will involve the Executive Development and Succession Planning Director in the development and deployment of this group across the business.

HR Directors/Managers working with the Group Reward Director will enable high performing individuals to increase their opportunity for reward to the upper quartile level. This will be based on variable pay not basic salary.

HR Directors/Managers will be responsible for ensuring that appropriate data and metrics will be collected and forwarded to the Executive Development and Succession Planning Director.
Appendix 3: Talent management Leadership Profile, Performance, and Potential Factors

Leadership Profile
Name:

Title:

Business Unit:

Line Manager:

Length of Service:
# Leadership Profile

*(To be completed by Employee)*

**Name:**

<table>
<thead>
<tr>
<th><strong>Skills/experiences</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>List 2 or 3 core skills or experience that you value</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th><strong>Performance history</strong></th>
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<tbody>
<tr>
<td>List 3 key performance milestones over the past 12 months</td>
<td></td>
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<table>
<thead>
<tr>
<th><strong>Career highlights</strong></th>
<th></th>
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<tbody>
<tr>
<td>List 2 or 3 career achievements that are important to you over your career</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th><strong>Career aspirations</strong></th>
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<tbody>
<tr>
<td>List and describe 2 or 3 options for your future career over the next 3 to 5 years. These may not match your current role, or capabilities, linked to that role. At this stage do not worry about a skills or experience gap.</td>
<td></td>
</tr>
</tbody>
</table>
Performance Factors

**Leadership**
- Inspires others
- Sets clear strategic direction
- Enables performance (resources, external commitment)

**Managing Change**
- Has a clear plan
- Communicates to achieve buy-in
- Delivers and embeds

**Managing People and Performance**
- Is upfront and honest about performance/behaviour
- Supports and develops others
- Encourages teamwork
**Project Management**
- Manages people and resources to budget/timescales
- Develops lasting relationships with customers and suppliers
- Delivers a quality end product/outcome

**Functional/Technical Competence**
- Demonstrates knowledge in day-to-day working environment
- Utilises knowledge effectively
- Is recognised for quality work
Potential Factors

**Drive**
- Displays ambition to get on
- Strives to deliver business results
- High positive energy

**Intellectual Ability**
- Produces well thought through solutions
- Assimilates complex information easily
- Verbally and numerically fluent

**Creative Thinking**
- Thinks outside the box
- Challenges the status quo
- Experiments with different ideas
**Learning Agility**
- Copes and adapts to change quickly
- Seeks feedback
- Constantly works to develop self

**Behavioural Versatility**
- Can modify own behaviour to achieve results
- Contributes effectively in a team
- Develops positive relationships

Details
## Appendix 4: Performance Scorecard

### Performance Factors Scorecard

*(to be completed by Assessors only)*

**Assessors**

__________________________

__________________________

__________________________

<table>
<thead>
<tr>
<th>Executive</th>
<th>Infrequent</th>
<th>Occasionally</th>
<th>Noticeably</th>
<th>Exceptionally</th>
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<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>Leadership</td>
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<td></td>
</tr>
<tr>
<td>Managing Change</td>
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<td></td>
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<td>Managing People &amp; Performance</td>
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</tr>
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<td>Project Management</td>
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<tr>
<td>Functional/Technical Competence</td>
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**Score A**

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<th>4</th>
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<th>10</th>
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<td></td>
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<td>Behavioural Versatility</td>
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**Score B**

*To be assessed if candidate’s combined performance/potential factor score is greater than 75. If less than 75, C=0)*

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<td>Not adhering to VT Values (People, Performance and Partnering)</td>
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<td>Limited desire to develop career with VT</td>
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<tr>
<td>Personal circumstances impede development within VT</td>
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**Score C**

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<th>Talent Score</th>
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<th>+</th>
<th>(B</th>
<th>-</th>
<th>C</th>
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</table>
Appendix 5: VT Talent Grid

VT Talent Grid - Group

Misplaced
Immediate remedial discussions

Talent
Resource allocated from the centre for personal development. Talent panel to actively deploy individual to increase capability for future promotion.

Key Player
Feedback on position within the grid with line manager. Local development plan
## Appendix 6: Individual Development Plan

Name:

<table>
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<tr>
<th>Specific Objective</th>
<th>Development Area</th>
<th>Development Activities</th>
<th>Timescale</th>
<th>Expected outcome</th>
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<tr>
<td></td>
<td>Knowledge, skills, competence or contribution to be developed (What kind of contribution, knowledge, skills are required to achieve this objective?)</td>
<td>- How will I acquire the knowledge, skills, etc?</td>
<td>- By when I achieve this</td>
<td>- How will I know I’ve been successful?</td>
</tr>
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</table>

*Please insert new rows in appropriate time-frame, as necessary, to accommodate each new objective.*

### Notes for completion

The development plan is owned by the individual with support from the manager and the company.

The idea is that the development should be linked to a business objective although this can be in the short, medium, or long term. The term development is used to include formal training and also to cover coaching, mentoring, job rotation, project work, or even reading a book or article on a subject. These are some of the different ways that individuals learn and develop themselves.

In order to achieve an objective we need knowledge, skills and competency. Knowledge can be provided by education.
Appendix 7: Presentation of the Talent Management strategy to VT Flagship
Agenda

- Business overview
- Talent and Coaching
- Discussion
Business Perspective the Human factors

- Business growth £379m revenue and 5,259 staff in 2001 to £1.2bn revenue and 14,112 staff in 2008
- Shipbuilding to services
- “Command and Control” management style to Leader Coach
- Performance/Coaching culture - “couple of notches”
- Skills shortage - external/internal talent
- Succession planning – right people, right job
Talent Management at VT

Background

- Developed by mixed functional/operational team 2005
- VT Communications pilot in 2006
- All leadership teams completed end 2007
## Forecast – Based on Numis

<table>
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<th>2007 £m</th>
<th>2008 £m</th>
<th>2009 £m</th>
<th>2010 £m</th>
<th>2011 £m</th>
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<tr>
<td>Sales</td>
<td>1bn</td>
<td>1.2bn</td>
<td>1.5bn</td>
<td>1.8bn</td>
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<tr>
<td>Profit</td>
<td>74.2</td>
<td>86</td>
<td>110</td>
<td>130</td>
<td>155</td>
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</table>
Talent Management at VT

Background
- Developed by mixed functional/operational team 2005
- VT Communications pilot in 2006
- All leadership teams completed end 2007
Talent Process

- Briefing
- Leadership Profile and Performance & Potential Factors – discussed with line manager
- 360 feedback
- Panel meeting and scoring of each person
- Feedback by line manager on 360° and Matrix, leading to the Individual Development Plan
What have you done up until now in your past Career highlights, etc., and what Aspirations do you have for the next 3 – 5 years?
Performance & Potential Factors and Scorecard

How are you doing on your **Performance**: Leadership, Change, People Management…?

Scoring of factors, including 360° input and other data

How are you doing on **Potential** factors like Drive, Learning Ability and Creative Thinking?
360° process

Peers, line manager, internal customer or supplier give 360 feedback

Final report
360° review process

Quantitative scores on Competencies, such as Leadership, Change and People

Qualitative comments on strengths and areas of development
Output and payback of Talent process

**Individual**

- Each individual gets a career overview and development plan
- Know where they stand (fair – data driven)
- Exposure to opportunities and the group
- 1:1 time x 2 with their manager on their career – quality dialogue
- Honest open feedback – including 360
- They know what they need to do to progress
Talent Grid & Development Plan

Scores prepared and mapped against a Performance/Potential matrix where Talent and Key players are identified.

Individual Development Plan for Talent and Key Players on Knowledge, Skills and Competence.
Output and payback of Talent Management process

**Business**

- VT gets an overview of talent / key players and where our people aspire to be
- Data to inform succession planning
- Development needs – which can be planned
- Improved quality/performance of people and leadership
- A plan for current and future gaps
VT Coaching Project
Establishing a coaching culture in VT

Our Aims

1. Every manager in the organisation spends some of their time with their subordinates actively improving their performance through coaching.

3. Coaching to be sponsored by the top and as a core mechanism through which managers can improve performance in their teams – “a couple of notches for everyone”

5. Coaching is to be part of the managers “tool kit” throughout the organisation and to support our core organisational values of People, Performance and Partnership.

6. Coaching will also support development as well as the talent management processes and future succession planning processes currently being developed.

5. Coaching will be supported at the top level in the organisation, and then rolled out to form a critical mass of ‘coaching enabled’ managers to build a coaching culture in VT.
Roffey Park Group Courses

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<td>Alan Cobbin</td>
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VT Group plc
Next Steps

VT Group plc

Senior Management

Talent Pools

Commercial
Project
Finance/IT
HR

Graduates
Conclusion

- Talent Management is work in progress – not a quick fix – succession planning needs to be finalised and continuously reviewed
- Top level complete but need to roll down to the next level and cover core competencies/skills like project management and finance
- Coaching and Talent Management are complementary and need to be further embedded and become part of our culture – good early signs.
### Appendix 8: Definitions and themes from each Interview

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<tr>
<th>Interviewee</th>
<th>Definition and themes of TM</th>
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| SM 1        | Previous work experience in Schlumberger focused on people and talent. Gave SM1 a huge people focus and sympathy for the HR function. SM1 took the early learning into all the companies he has worked with. TM not an HR fad and fashion and is a big business driver TM fundamental part of a business plan not cost effective to recruit outside VT had talented people but no programmes e.g. graduate programme. Shipbuilding to services needed culture change - People agenda is a key part of that. People Agenda and People skills Culture for service company and that culture change needed new HR people. This couldn’t be outsourced. Without TM and development of talent the business would not have succeeded. TM definition has many strands – recruitment, development but SM1 saw it as internal development of talent. TM part of leadership agenda Again focus on the development agenda. The idea is that ALWAYS there is untapped talent. This reinforces the people development agenda. “Plenty” of “internal” talent to bring forward into the senior positions. The idea of succession planning plus development. HR as “policeman” even handedness to recognise peoples abilities Using external tools to assess ability and TM to mapping who is going to take the senior jobs – development programmes. Succession planning plus identifying “gaps” but recruitment is used only after looking internally and developing internally. External recruitment is picking “better” people than you have in side. TM need “buy in”; hard work – time consuming. - to spend time with people and to actually develop people. TM can be destructive if you get “fast track” versus the “rest” (2nd class citizens. To avoid animosity TM process should be “right across the board”. TM is inclusive process and not “elitist” and usually surprises you by improved performance. Without TM good people might leave and go elsewhere. TM can lead to internal politics TM strategies that throw lots of money at people don’t last. Without development people leave. A genuine TM process will reduce internal politics and helps trust across management TM part of a jigsaw of running a business, building the right culture - part of an “open” culture and developing people and creating opportunities. VT became a service business and people agenda became important. Customer interface in a service business needed good performance with highly skilled people. Culture of the business and people’s attitudes in the business and create the right environment. TM can’t overcome a poor environment The danger of TM is creating aspiration and if you are a growing business it works if you are going backwards it fails. TM measure of success that more VT people in senior positions than Babcock people. TM – took risks to create succession planning opportunities. It is an important process but it also need team engagement. TM is part of “chemistry mix” – culture, environment as well as best talent Top management team has no bureaucracy, trust each other will outperform others if they have certain threshold of capability. Talent needs an environment where they can express themselves and their talent. The role of HR is key to culture change and GMs/MDs/ don’t have time to focus on the people issues. HR role are the “guardians of the culture” and not personnel people, in VT moved to the “top table”. HR at the same level as finance and commercial. HR key player in the
management team not only on “HR” issues. It also makes statement that people are important. HR role as “sounding board” for senior management and is independent compared to other functions. HR brings the tools and makes the process professional not “intuitive” like the GM/MDs would. HR flying blind if not at the top table. HR job on alert to spot talents and audit the company, HR contribution to TM is ongoing full time continuous assessment of talent TM about developing the people you have got. It is difficult to hire people Senior managers have to own the process can’t be owned by HR. (needs definition) and TM "new" and "modern" System. TM process got “great result” and is a medium term return investment but once dropped it is hard to put it back Line manager’s role to follow their bosses. Driven from the top and HR provide the tools Identifying and hiring potential and “fast tracking” talent TM needs “buy in”

SM 2
TM was part of the strategic planning process. People development was part of group growth. There were issues in business versus corporate. Centralization and standardization versus individual business freedom. Balance of business autonomy versus group initiatives VT a people business and TM and SP are blurred together? Not enough focused development in VT and the business case for TM not proved. TM in VT focused at too senior a level ignoring the middle levels and did not have “buy in”. Whatever the terminology irrelevant it’s about people and performance TM in VT not linked to the strategic plan and the planning process HR leadership of TM process ineffective, HR lacking the skills especially numeracy.

SM 3
HR concept through the GEC new and an HR led initiative although it was also a GEC project as part of the company strategy. TM was natural balance against intuitive people assessment and not about succession planning only and important for strategic decisions about people as the company grew. TM about individuals owning their own career and creating the future top leadership/management of the company. TM NOT embedded in the business because it was not fed into the 5 year plan and the numbers. It needed to be a numbers AND people and capability plan. HR was the right place for TM MDs and functional directors own the TM process with support from HR. VT not ready for TM because the “strategic planning” process was not sophisticated. Prepared by 1 or 2 directors the week before a planning session with the Board. As a concept TM embedded in the strategy process would have worked better. VT Group HR director focused on corporate HR and the external brand. Talented people will drive their own plans at senior level it is the next level down. Senior leaders need to get business to own the process not a corporate (or HR) initiative… Role of HR to support the line with resources and templates. Management teams in the business need to own TM not HR reporting back and senior leaders to be advocates- use it themselves Senior leaders should be taking TM to the board HR should not be doing the TM process and need the ability to step back and persuade rather than do CEO to drive and mandate with top team and force it through. People agenda never got alongside the organisation and strategy change and not enough follow through of senior team to invest in people. Line Managers make it happen and need coaching skills giving feedback

SHR 1
Culture shift to meritocratic performance base Organisational change/Change management connected to people management Succession planning for VT was “telephone directory” Business “fractured” into the divisional structure and business P&Ls worked against the TM process. Talent definition/Succession planning. TM NOT inclusive because of budget and fitted the strategic and to get to the FTSE 100
from FTSE 250
Conflict between business units versus the corporate centre - HR strategy corporate versus BU objectives in HR.
HR not Organisation Development based in VT.
Business MDs adopted TM but business HRDs did not. Why? SHR1 view that it helped the business MDs achieve their business goals
Budget issues and need for savings meant that there was less focus on TM.
Senior leaders got tired of TM didn’t realise that it was on going through they only needed to do it more than once
HR skills for TM - management facilitation/process or project skills and support MDs
Senior leaders must invest time and important that it is seen as a business strategy and line managers need a sense of urgency
Line manager should be driving the process below the formal process
HR is broad discipline and TM requires different skills like Organisation Development
HR Directors lacked the skills and experience.
TM most important “HR” function
Line managers skills coaching (see coaching investment in appendix)
TM is evolving to Human Capital approach. Might need to be renamed.

| LM 1 | TM helps to build individual and organisational capability
|      | TM build social capital for those identified as talent
|      | TM as a process help to maximise people development
|      | TM fitted the VT “growth” strategy
|      | VT did not have an identified organisation strategy and TM, NOT communicated as a strategy down the organisation
|      | TM was successful in developing some people but it missed major opportunities
|      | As TM was part of HR it was seen as “non-strategic” – there was prejudice and antipathy towards HR. HR seen as transactional so TM undervalued.
|      | Business leaders not charged with driving TM to whether TM was a business or HR driven process
|      | Sometimes HR led the process and sometimes supported – HR should have led.

| LM 2 | TM was a “super appraisal” as the appraisal system poor not good at nurturing talent or helping people in their careers
|      | TM a “thorough process” giving constructive feedback and career path, and decided “who is good and who is bad”
|      | TM challenge with the people that are just outside of the talent pool and can be dangerous as it stirs up in fighting and resentments.
|      | TM not linked strategic and does not need to. It’s separate from strategy because it is about people. LM did not recognise the people strategy as part of the business strategy
|      | TM created people who were more emotionally intelligent and it did fit the coaching culture. TM ahead of the “old engineering culture”
|      | HR in VT was poor and not enough good people in the HR function
|      | TM too big a leap to a new culture set by the CEO and Group HR director
|      | It needs organisational maturity and good leadership starts from the top and cascades all the way down.
|      | HR role is to facilitate NOT lead the process The TM process went well on time and organised HR involved in feedback, dialogues and facilitated benchmarking
|      | TM driven by the senior leaders drive and the right behaviours CEO and senior management team (his direct reports.
|      | TM the role of the line managers is to follow up on the development plans

| LM 3 | Identifying future “stars”
|      | Leadership of organisation culture – setting tone of the organisation
|      | Individual capabilities
|      | Identify a “critical mass of” of Talent Good companies are good because of the people that that create
|      | TM is identifying your potential at the moment and potential future stars
|      | Engagement throughout the business
|      | Leaders need to develop staff at the interface with customers
|      | Leadership is important to set the culture and tone in the organisation.
|      | Talent is about capabilities and particular talent.
|      | Identify critical mass and getting more from them
Key role is identifying the stars of the future and keeping them and retention of talent and improve the company and stock of capability. TM process didn’t follow through at VT – maybe misalignment with priorities or cost or initiative overload. HR role to structure TM and partner with the line. Line manager help and do TM. Process owner HR development champion at board level and project sponsor. Coaching complementary to TM. Different skills required as you go up the levels of an organisation. Coaching was a big contribution to the development of managers. HR not given enough resources but if you develop the critical mass then you embed the culture of tm into the company and it becomes self-sustaining.

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<tbody>
<tr>
<td><strong>TM long overdue in VT</strong></td>
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<td>People wanted development</td>
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<td>Personal development</td>
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<tr>
<td>And career development</td>
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<tr>
<td>TM not linked to the VT Strategic direction</td>
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<tr>
<td>TM definition “identify or assessing and developing people who have the ability to grow within the business diversification or next generation leadership. VT business very tactical rather than strategic. An alternative view is that the strategy was opportunistic, “agile” and emergent rather than from a formal strategy planning process. TM healthy from a business perspective</td>
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<tr>
<td>TM part of business sustainability at Board level</td>
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<tr>
<td>Stakeholder only interviewee to mention it.</td>
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<tr>
<td>Career planning for individuals</td>
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<td>Employee brand and retention</td>
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<tr>
<td>TM not used to inform the strategic direction of the company.</td>
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<tr>
<td><strong>BUs versus the centre</strong></td>
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<tr>
<td>Existing Bus operated a certain level and if the organisation became integrated the roles of those people might have been at risk.</td>
</tr>
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<td><strong>HR consultants versus practitioners</strong></td>
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<tr>
<td>HR was in process of change to HR business partners.</td>
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<td>HR was transactional.</td>
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<td><strong>CUS versus group(corporate)</strong></td>
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<td>If there was HR business partners then the time would have been create for TM</td>
</tr>
<tr>
<td>Education of the HR business partners/function would have been required.</td>
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<tr>
<td>VT as an organisation was paternalistic and so it would not have implemented TM lower down.</td>
</tr>
<tr>
<td><strong>TM too “mature” for some in VT. To ahead of its time?</strong></td>
</tr>
<tr>
<td>Gave examples of individuals “hurt” by the process.</td>
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<td><strong>TM not linked to growth strategy</strong></td>
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<td>Some senior managers were “old school” and should not have been working with the new “people agenda”?</td>
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<td><strong>HR1 questioned the end for TM or just for SP</strong></td>
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<td>Sustainability</td>
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<tr>
<td>Senior management role</td>
</tr>
<tr>
<td>Senior role business strategy</td>
</tr>
<tr>
<td>Senior mgrs. Responsibility not lip service.</td>
</tr>
<tr>
<td>Business culture at VT an issue</td>
</tr>
<tr>
<td>Mature leadership issue of promoting other ahead of you</td>
</tr>
<tr>
<td>People were competing with each other.</td>
</tr>
<tr>
<td><strong>in VT</strong></td>
</tr>
<tr>
<td>Line manager’s skills and attributes.</td>
</tr>
<tr>
<td>Line role is leadership and HR is a reference point.</td>
</tr>
<tr>
<td>Same for senior leaders.</td>
</tr>
<tr>
<td>Everyone owns the TM process (talent multiplication – Cheese et al Lit review)</td>
</tr>
<tr>
<td><strong>HR function</strong></td>
</tr>
<tr>
<td>Process not open and not fair?</td>
</tr>
<tr>
<td>was OK in implementing TM</td>
</tr>
</tbody>
</table>
| HR2 | Not enough definition of TM and follow through of development plans.  
VT TM not well defined.  
Too early for the TM process  
BU versus group/centre |
| --- | --- |
| TM first came from the ED&SP role.  
TM a new concept to HR2  
TM needed to support growth of company  
TM as development to support VT becoming a FTSE 100 organisation  
TM introduced through the GEC  
TM definition development and succession planning to support business growth strategy  
TM should be inclusive across the whole organization rather than at senior exec level only  
Talent scarce and limited to a few people  
TM important strategically as VT Group rooted in shipbuilding and siloed. Top management not so aware of the silos. Group versus BU's.  
TM a means of getting buy into the VT as one organization. Centre vs business split. TM a means of integration.  
TM not linked to the business strategy because business saw it as an HR process. - a nice to have not a business strategy.  
TM had CEO support but he and GEC did not give enough support so it went off the rails.  
TM really important for HR  
TM stared well but pattered. HR or very superficial. SHR1, LM all said this. HR couldn’t be bothered. Point made by HR2 that HRD and managers in the business did not have the skills.  
TM effective because some “good” people were identified and developed and recognised. The appraisal system did not do this. Performance management of poorer performers did not happen.  
HR role assist line managers in the process  
HR2 – HR should not necessarily be leading the TM process. Senior leaders “fly the flag” stress organisation importance.  
Senior managers have to ”live it” and follow through with their people. HR can’t keep it going has to be line managers.  
HR2 didn’t think line managers lived it.  
Line managers role similar to senior mgs. GEC. Go through the process themselves. Commitment not a paper exercise.  
Line manager role is similar to senior managers  
Commitment and show not tick box exercise  
HR owns the TM process as the “experts”. Line HAVE to get fully involved. Example of finance function and line managers.  
HR owns the process as the specialist.  
HR knowledge of TM is really important. Experience from other organisations. Knowledge of TM lacking in other HR leaders.  
HR facilitation skills key on the “conversation”  
Managing the TM Talent Review meetings – acting as “consultant”  
HR need comms skills/interpersonal skills.  
Senior leaders the same Important point for future study. Was it lack of skills/attributes or lack of commitment or attitude?  
View that the failure to drive TM was not down to skills but more to do with attitude. For the line they wanted to their own thing “not invented here” for the HR they did not want to the Ulrich model and wanted to be “independent” of the centre.  
Critical of the HR function “atrocious”  
Massive disappointment in HR leadership in businesses |
| HR 3 | BU sometimes against Corporate/ Group and used TM to meet its business needs. BU tried to take the relevant parts of TM and ignore the rest. BU was reporting up to a Division that reported to the Group structure through BU HR team. |
BU strategy was more aligned the Group/Corporate strategy than its division in HR.
HR 3 saw TM as an inclusive process
HR 3 saw VT as siloed in divisions and even within his own BUs and different parts of the business.
The part of the business LM3 was in had a TM process.
HR3 very close to the business which was BU in a division.
VT Land was a business within a business
TM fitted the subsidiary of one of the core VT group businesses
HR 3 thought the VT HR strategy linked to the business
HR 3 VT not a top down company. Organisation structure was very decentralised
HR people good at process but they often lack operational skills.

Best HR people are from operations background who have moved into HR and HR is the enabler and challenger
HR challenger and enabler and senior teams should set the direction.
HR3 says HR say there is process.
HR needs to get the job done in implementing a TM process.
HR 3needs to be robust - seeking and giving advice to the line mangers.
HR3 thinks HR need skills to engage and support the line, identifying what the line need and turning that into a reality.
HR3 thinks HR need to know what TM is about (previous experiences is good) the start and end and how HR will make it happen.
HR3 facilitating and consulting skills are key.
HRbp should be about consulting and can be implemented turning the process in a plan that can be implemented.
HR3 sees HR asking questions do you need that skill, how do you structure your team.
Line need to accept the consultancy of HR.
VT entrepreneurial
Senior leaders need to get a direction – where we are going? This is what we want and the HR says this is what you need.
Senior leaders role is to talk to HR about talent consultation. HR then help embed that culture.
HR3 – HR now strong in VT at corporate level. (HR3 meant that corporate HR can’t drive things in the businesses)
HR3 – dichotomy group and Bus.
Conflict between them. Small centralised unit could not deliver what the BUs wanted. In VT strong Bus and strong divisions they didn’t listen to the Group.
Appendix 9: Example Interview Document

<table>
<thead>
<tr>
<th>Q1</th>
<th>How did you first get to think about the need for TM and what drove you to introduce it?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Well I think I was fortunate enough to work for a company called xxxxxx who believed in it - massively well ahead of their time - in the 1980s and they mapped their talent and heavily invested in their talent right from day 1. They picked the very best out of the universities and they had fast track development and I could see the effects of that in Schlumberger who are very successful company so from that early part of my career and as I moved into more senior general manager positions running businesses I’ve have always taken that with me and if the company hadn't got the appropriate schemes which probably few had and as you know VT had none. I introduced them or brought the appropriate people in who would introduce them and I think like everybody else you read</td>
</tr>
</tbody>
</table>

Previous work experience in xxxxxxxx focused on people and talent. Gave SM1 a huge people focus and sympathy for the HR function.  

SM1 took the early learning into all the companies he has worked with.  

TM not an HR fad and fashion  

TM = a big business driver  

Not cost effective to  

History of good companies with people practices. Learnt through experience and best practice.  

SM1 believed in the people approach and did not question it. It wasn’t explicit in his thinking. He had “internalised it from his work experience”
<table>
<thead>
<tr>
<th>recruit outside</th>
<th>best practice and it has become more and more popular and there are fads and fashions in HR and the way to motivate people but I think fundamentally having really good talent around and the development of that talent is a real big business driver. You can't go out and recruit all the time growing from within all very cost effective and you start getting good people coming into the business and it attracts more good people so I think it is a pretty fundamental part of any business plan. A successful business plan.</th>
</tr>
</thead>
<tbody>
<tr>
<td>TM fundamental part of a business plan</td>
<td>Shipbuilding to services needed culture change - People agenda is a key part of that.</td>
</tr>
<tr>
<td>VT had talented people but no programmes e.g. graduate programme.</td>
<td>Q2 Building on that where there any specific reasons for bringing it into VT at the time you did?</td>
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<td></td>
<td>Well I think VT definitely had a lot of talented people, as we have seen over the period of the past few years but there wasn't a specific programme so it wasn't devoid of that. You have got to remember that there also wasn't not a graduate recruitment programme so I think back in, at some point in the 90’s it was probably</td>
</tr>
<tr>
<td>Culture for service company</td>
<td>the early mid 90s a lot of this was taken out of the business as cost reductions because So I think square 1 is to . And why? Because you can pick up back up again. When can you afford not to do it? You can’t afford not to do it for very long. You can dumb it down a bit but it is one of those things like any of these things. If you are living for today spending on exhibitions it is really nice</td>
</tr>
</tbody>
</table>
# Appendix 10: Ethics

## FORM UPR16

### Research Ethics Review Checklist

Please complete and return the form to Research Section, Quality Management Division, Academic Registry, University House, with your thesis, prior to examination.

<table>
<thead>
<tr>
<th>Postgraduate Research Student (PGRS) Information</th>
<th>Student ID:</th>
<th>411110</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Name:</td>
<td>Michael Staunton</td>
<td></td>
</tr>
<tr>
<td>Department:</td>
<td>Business School</td>
<td>First Supervisor:</td>
</tr>
<tr>
<td>Start Date: (or progression date for Prof Doc students)</td>
<td>2009</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Study Mode and Route:</th>
<th>Part-time</th>
<th>Full-time</th>
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<tbody>
<tr>
<td>MPhil</td>
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<tr>
<td>MD</td>
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<tr>
<td>PhD</td>
<td></td>
<td></td>
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<tr>
<td>Integrated Doctorate (NewRoute)</td>
<td>Prof Doc (PD)</td>
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</tr>
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</table>

<table>
<thead>
<tr>
<th>Title of Thesis:</th>
<th>Implementing Talent management in a Global Services Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thesis Word Count: (excluding ancillary data)</td>
<td></td>
</tr>
</tbody>
</table>

If you are unsure about any of the following, please contact the local representative on your Faculty Ethics Committee for advice. Please note that it is your responsibility to follow the University’s Ethics Policy and any relevant University, academic or professional guidelines in the conduct of your study.

Although the Ethics Committee may have given your study a favourable opinion, the final responsibility for the ethical conduct of this work lies with the researcher(s).

### UKRIO Finished Research Checklist:

(If you would like to know more about the checklist, please see your Faculty or Departmental Ethics Committee rep or see the online version of the full checklist at: [http://www.ukrio.org/what-we-do/code-of-practice-for-research/](http://www.ukrio.org/what-we-do/code-of-practice-for-research/))

<table>
<thead>
<tr>
<th>a) Have all of your research and findings been reported accurately, honestly and within a reasonable time frame?</th>
<th>YES/NO*</th>
</tr>
</thead>
<tbody>
<tr>
<td>b) Have all contributions to knowledge been acknowledged?</td>
<td>YES/NO*</td>
</tr>
<tr>
<td></td>
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<td>---</td>
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<tr>
<td>c)</td>
<td>Have you complied with all agreements relating to intellectual property, publication and authorship?</td>
</tr>
<tr>
<td>d)</td>
<td>Has your research data been retained in a secure and accessible form and will it remain so for the required duration?</td>
</tr>
<tr>
<td>e)</td>
<td>Does your research comply with all legal, ethical, and contractual requirements?</td>
</tr>
</tbody>
</table>

*Delete as appropriate

**Student Statement:**

I have considered the ethical dimensions of the above named research project, and have successfully obtained the necessary ethical approval(s)

**Ethical review number(s) from Faculty Ethics Committee (or from NRES/SCREC):**

| PBS FEC E76 approved 16/04/2009 |

**Signed:**

(Student)

**Date:**

If you have not submitted your work for ethical review, and/or you have answered ‘No’ to one or more of questions a) to e), please explain why this is so:

**Signed:**

(Student)

**Date:**