#### **Remuneration Committee**



Date: 15 March 2016

Item: TfL's Leadership and Succession Planning

## This paper will be considered in public

# 1 Summary

- 1.1 The purpose of this paper is to provide an update of the current and proposed future activities which form TfL's Leadership and Succession programme. The last update was provided in November 2014.
- 1.2 Since the last update, TfL has completed the Executive Education programme for Directors, implemented a similar programme for its Band 5 Senior Managers and in April 2016 will welcome the first group of Band 4 Senior Managers on to the programme.
- 1.3 TfL has also implemented its Maximising Potential approach to Talent Management across its Director and Senior Manager populations. The outputs from this work are shaping the approach to Succession Planning.
- 1.4 A range of complementary leadership development opportunities is also available and a programme of workshops is underway to inform Senior Managers of the opportunities available to them.
- 1.5 In addition to Senior Leadership Development, TfL continues to develop opportunities to ensure that all of its people managers are highly trained and effective, manage people positively and confidently and enable its staff to feel engaged, supported and included within the workplace.

### 2 Recommendation

2.1 The Committee is asked to note the actions and activities currently underway and planned.

# 3 Director and Senior Management Development

- 3.1 Forty five Directors took part in their executive education programme with Cass Business School. The programme consisted of five two-day modules at Cass Business School, a 360 feedback review based on TfL's behaviours with follow up coaching delivered by an external coach, and a Leadership Challenge.
- 3.2 A pulse 360 was also completed to see if there had been a shift in behaviours as a result of the programme along with comparison to Viewpoint results. This analysis showed that definite progress has been made. When the results are

- viewed pan-TfL, there has been a positive shift since the original 360, particularly in terms of strategic focus and having an inspiring vision.
- 3.3 TfL has around 200 Band 5 Senior Managers and these have all now taken part in the programme with the final, eleventh group starting in February 2016. All participants have completed a 360 review using a subset of the questions used by Directors to allow for comparison of data. The questions also included key indicators on leadership to allow for comparisons with other organisations.
- 3.4 Analysis of the 360 results for the first five groups of Band 5 Senior Managers shows that this group are demonstrating all behaviours to a good standard and reviewers agree they make a significant positive impact on TfL. When benchmarked externally to senior managers in the private sector, they score the same and sometimes slightly higher, in nearly all the benchmarked 360 questions.
- 3.5 When compared to the Director population, this group of Band 5s appear to reflect similar strengths and areas for development. The main point of difference being stronger scores for the Band 5s for Fair and Consistent. Questions aligned to this behaviour link to personal attributes around integrity, creating culture of trust and respect as well as recognising others expertise. These qualities are critical to delivering results through others and present significant potential for leveraging greater engagement scores.
- 3.6 A further analysis of 360 results for all eleven groups of Band 5 Senior Managers will be completed later this year.
- 3.7 A Band 5 Steering Group, supported by HR, was formed in summer 2015 to design and steer the programme for Band 4s and develop the detailed design. Funding is in place with Cass Business School to deliver 250 places in 2016/2017. Running the Programme beyond 2016/17 is dependent on funding and numbers nominated through our Talent Framework Maximising Potential (see Section 4).
- 3.8 Offers to participate in the training were made in January 2016 with the first group due to start in April 2016. In addition, HR is hosting a number of 90-minute sessions for all Senior Managers to raise awareness of the full range of development options for managers and their teams.

# 4 TfL's Talent Framework – Maximising Potential

- 4.1 Learning from a number of talent initiatives and pilots in 2014, HR developed an overall strategy and process for managing pan-TfL talent, succession and workforce planning.
- 4.2 Maximising Potential gives us the framework, guidance and tools to be better at identifying, developing and mobilising talent across TfL. It builds on TfL's performance management process. By having open and honest conversations about an individual's career aspirations and their potential, performance and development conversations will have more meaning. It will also enable tailored development and align talent planning to resource planning.

- 4.3 Over one thousand Senior Managers participated in Maximising Potential through the mid year process in autumn 2015. This included a career conversation with their line manager to discuss their performance, career aspirations and potential ratings. The introduction of ten questions to measure potential was well received, with managers understanding that an over reliance on current performance had hindered previous talent pilots.
- 4.4 Maximising Potential results are plotted on a nine box grid (Appendix 1) and calibrated to ensure a consistent approach within functions and across the business.
- 4.5 There is encouraging evidence to show that there is no gender or BAME bias in how the process has been used; in fact women and BAME staff have been rated as higher potential overall.
- 4.6 For Band 4 Senior Managers, the outputs of Maximising Potential have been used to inform participation in the Band 4 Senior Manager Development Programme.

# 5 Workforce Planning and Succession Planning

- Workforce Planning is the mechanism for ensuring that the types of roles we need and when we need them are identified across the organisation. It helps us understand the gaps so that we can build interventions to retain and develop internal skills and developing talent pipelines of potential internal and external candidates to meet future need in the short, medium and long term.
- 5.2 Following a successful pilot in Surface Transport, workforce planning is underway across the whole of its business with an initial focus on priority areas.
- 5.3 As well as using the outputs of our Maximising Potential internal talent framework, this also involves building and maintaining relationships across the industry and working in partnership with organisations such as Network Rail to ensure the right people are in the right roles at the right time.
- 5.4 Proposals for succession planning are being developed. Complementary pieces of work are also underway, such as Role Families and a focus on developing the skills we need for the future through work with schools, skills councils (such as the National Academy for Railway Engineering), skills share schemes, apprentices and graduates.

# 6 Apprentice and Graduate Programme

6.1 A pan TfL Graduate and Apprentice Board has been introduced to improve the process for managing our graduates and apprentices on completion of their schemes. The Board comprises director-level representation from across TfL. There is also a graduate representative from the Graduate sub group.

- 6.2 The Board's current priorities are post scheme development, demand planning, Career Launch and graduate budget. Career Launch was introduced in 2015 as a new joined up roll off process across all TfL Graduate Schemes in to permanent roles. Refinements to this process are underway for use in 2016.
- Once graduates and apprentices have rolled off in to substantive posts, they are developed and managed under the same framework as other employees. Tracking of graduates and their careers once they have left the scheme has been improved through the use of SuccessFactors enabling technology.

## **List of Appendices:**

Appendix 1: Maximising Potential nine box grid

#### **List of Background Papers:**

Remuneration Committee Paper 27 November 2014: Update on Apprenticeships and TfL's Leadership and Succession Programme

Contact Officer: Tricia Riley, Human Resources Director

Number: 020 3054 7265

Email: tricia.riley@tube.tfl.gov.uk

# Maximising Potential – Nine Box Grid Update 2016

### Top Specialist

#### **Talent**

Highly skilled technical specialists, knowledge hard to replace
• Role model behaviours

- Sustained high performance against objectives over the last
- Wants to develop within their field rather than become a future leader
- Demonstrates some of the potential questions
- Can move sideways within their field, expand their current job or deepen their expertise at similar

### Adaptable High Performer

Sustained high performer, clear potential to move to a bigger and/or broader role following development

- Role model behaviours
- Sustained high performance against objectives over the last year
- Aspires to move to a higher role in the future
- Achieves medium score for potential questions
- Potential to move into a bigger, broader role with increased level of responsibility following further development in current

## Top Leadership **Talent**

Sustained high performer, clear leadership potential to move higher now or in less than I year

- Role model behaviours
- Sustained high performance against objectives over the last
- Aspires to move to a higher role
- Demonstrated all of the potential areas
- Can move into a higher role now or in less than I year

### Specialist Performer

Sustained effective performer, is looking to develop further within their specialism

- Consistently demonstrates behaviours at a good standard
- A consistently good standard of performance against objectives
- Demonstrates some of the potential questions
- Wants to specialise within their field
- Look to develop specialist capability in current role

#### Valuable Performer

Sustained effective performer, may have potential to do more, needs to be stretched to ensure capability maximised

- Consistently demonstrates behaviours at a good standard
- A consistently good standard of performance against objectives
- Look to stretch and test capability and potential in current role as either a specialist or future leader

#### **Future Star**

Clear leadership potential beyond current role, capacity for larger role within 2 years

- Role models most behaviours
- A consistently good standard of performance against objectives
- Aspires to move to a higher role in the future
- Demonstrates majority of the potential indicators
- Clear potential to move into a bigger, broader role with significant increased level of

#### Low Performer

High risk performance issues identified and being addressed

- Performance against objectives below standard required
- Concern over behaviours demonstrated
- Attention focused on addressing performance issues

#### Inconsistent Performer

Current performance and/or behaviours require an immediate need for improvement

- Performance against objectives below standard required
- Demonstrates some behaviours at a good standard
- Demonstrates some of the
- Development focused on improving current performance and/or behaviours

#### Untapped Potential

Has potential to improve performance, needs to be tested to ensure capability maximised

- Performance against objectives patchy / inconsistent or new in role
- Has previously delivered better performance
- Role models most behaviours
- Demonstrates majority of the potential indicators