Intellectual Capacity Building and Talent Management in the Healthcare Sector via Effective Leadership

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Abstract:
This study is an attempt to explore the intellectual capacity building and talent management in the highly knowledge intensive healthcare industry which can be mediated via long term leadership plans. The research methodology entails a case study based on a leading healthcare provider, a 250-bedded hospital in a major city of Uttar Pradesh, India where semi-structured in-depth interviews were conducted on the employees in the managerial as well as technical cadre. The content analysis of the interview findings unfold the differential between talent management practices operating from the end of organization leaders and the other in the form of its perception by the employees. Leadership styles define the various baits to be used in talent management (for attraction, acquisition and retention of intellectual capital). This leads to the drafting of a model of suggestive best practices to be adopted by leaders that could act as a tool in managing talent. This exploratory study has implications for both researchers and practitioners in the field. It brings into light the contextual factors that the organizational leaders need to adoptso that the talent management practices may turn to reality. For industry, an endeavor of the sort would help healthcare practitioners in acquisition, development, retention & management of the pool of talented employees.

Keywords: Talent management, Attraction, Retention, Healthcare industry, Leadership roles

1. Introduction

Recent articles describe "talent management" as "a mindset" (Creelman, 2004, p. 3); a key component to effective succession planning (Cheloha& Swain, 2005); and, an attempt to ensure that "everyone at all levels works to the top of their potential" (Redford, 2005, p. 20). The eventual responsibility for either developing a mindset or encouraging employees to put their best foot forward is more of a leader's job. Premium talent is increasingly acknowledged as the major source of sustainable competitive advantage in high performance organizations (Hiltrop, 1999). According to the McKinsey Quarterly article 'Why multinationals struggle to manage talent', companies that have overcome this knowledge gap are out-performing their competitors by as much as 40 percent higher profitability per employee. The Bersin& Associates Talent Management Fact book cites 26 percent higher revenue per employee and 41 percent less turnover in high performing staff (Guthridge&Komm, 2008). Statistics from the Center for Work-Life Policy show that employees who professed loyalty to their employers dropped from 75 percent to 30 percent and the voicing trust in the company has fallen from 79 percent to 22 percent (Wingrove, 2010).These statistics suggest that in the present talent-hungry marketplace, one of the greatest challenges that organizations are facing is to successfully attract, assess, train and retain talented employees. With the ongoing 'war for talent' (Michaels, Handfield-Jones, and Axelrod, 2001) the popularity of talent management has been on rise among academics as well as practitioners (Silzer& Dowell, 2010).

After the IT roar, it is healthcare which is hyped as the next boom industry in India. Healthcare is said to be recession-proof industry and is always in demand. Still, the industry has to cope with increasing attrition rate. Within the past ten years, talent, or the human resources required to deliver services in health care, has become more and more scarce. Even with a temporary lessening of the health care worker shortage due to the impact of the recent economic downturn, future projections indicate long-term demand for health care workers will exceed supply. As a result, a shortage of qualified individuals and increasing competition in the health care industry are making the attraction and retention of key workforce talent a top concern in the health care industry.

Leaders are the fore- runners of an organization and employee satisfaction should a top priority for them in order to retain the best available intellect. Being a service-based industry, the most important thing in a hospital is interaction between doctors and patients. If doctors are demoralized, then it has a direct impact on the patients. They also look for other avenues thus increasing the attrition rate. The healthcare industry faces complex challenges ranging from economic pressures and regulatory compliance issues to industry consolidation and a shortage of qualified professionals. There are a number of organizational issues and trends in the health care

industry that are forcing top management to recognize talent as a top priority. These include labor shortages, rising costs, quality controls, increasing consumerism, proliferation of technology and health care reform. Hence, the attrition rate of hospital staff members remains high. This has become the toughest concern of hospital administrators and HR heads.

As an impact of changing values and expectations, the health care workers easily fall on these baits (Shukla, 2010). However with the introduction of Sixth Pay Commission, the situation has reversed. There has been an increase in attrition rate within private hospitals and reduction in attrition rates within government hospitals. Healthcare workers from the government sector enjoy perks like job security, excess leave, and social security; leave travel concession etc. which acts as a motivator for them.

The problem of attrition is not restricted to medical consultants but also among nurses, paramedical and the junior staff. This is because of their high demand in foreign countries like Saudi Arabia, Riyadh, UAE, Yemen and other Gulf countries. The average rate of staff attrition within Indian hospitals is roughly anywhere between 16 to 22 per cent annually (Kambli, 2011).

The aim of this paper is to twofold: one to study the status of talent management dynamics prevailing in the highly knowledge intensive healthcare industry with a special emphasis on a leading healthcare facilitator in North India and another to identify the baits which the leaders can use in betterment of existing talent pool. The findings of the study are used to draft a blueprint (model) of suggestive best practices that could act as a tool in managing talent. A qualitative study entailing interviews of employees with a keen sense for deciphering (decoding) the verbal & nonverbal clues are the key determinants in drawing the blueprint outlay.

2. Literature Review

A review of the literature on talent management by Lewis & Heckman, (2006) reveals a lack of clarity regarding the definition, scope and overall goals of talent management terms and that the terms "talent management", "talent strategy", "succession management", and "human resource planning" are often used interchangeably. In order to differentiate it from human resource management, scholars like Barrett and Hall (2003) and Creelman (2004) have defined it as a mind-set that forms an important part of business strategy and the success of the organization depends upon the human resources it can hire (Srivastava and Bhatnagar, 2008). Human resources play a significant role in reaching organization effectiveness and performance (Huselid, 1995). An effective better talent management results into a high employee engagement leading to a better productivity. It performs the same functions as that of human resource management but does it faster. It is also about ensuring that the right person is in the right job at the right time (Jackson & Schuler, 1990, p. 235). Thus, Talent management is "a strategic imperative" (Ashton & Morton, 2005, p. 28) about the differential management of employees based on their relative potential to contribute to the competitive advantage of their organizations (Lepak& Snell, 1999).

Talent management has its roots in the behavioral school of thought in strategic HRM and falls in the staffing domain (Bhatnagar, 2009). Ployhart (2006) defines staffing as the process of attracting, selecting and retaining competent employees but also remarks that although staffing should be one of the most important strategic mechanisms for achieving competitive advantage, organizational decision makers do not understand staffing or use it optimally. In fact, the organization's department wide staffing efforts should be made into an enterprise wide human talent attraction and retention effort (Olsen, 2000, p. 24).

By reflecting recruitment and culture need fit in the staffing strategy, an environment should be created at the workplace where employees feel more passionate about their work and exhibit the behaviors that organizations need to drive better results. According to Collins & Collins (2004), the areas where organizations should focus on to maintain their qualified workforce in the long term include communication; decision making; compensation, benefits, and career development; recruitment; appreciation and understanding; and management. It is important for the organizations to prioritize succession planning and leadership development for reducing in talent as well retaining talent (Cohn, Khurana and Reeves, 2005). For effective talent management strategy there is an emerging need to build an employer branding intervention (Bhatnagar& Srivastava, 2008) that would help in attraction and retention of the required talent.

3. Research Design /Methodology

The research questions pertain to studying the status of talent management dynamics prevailing in the healthcare industry. It is followed by suggesting a model of best practices that could act as a tool in managing talent. The research adopted an interpretive and qualitative approach. We use a case study methodology where a leading healthcare provider based in a major city of Uttar Pradesh, India is used as a sample representative. This health care provider (hospital) is one of the ventures of a leading business conglomerate of India, which has its presence in different sectors. In-depth interviews were conducted on the employees of this 250-bedded hospital that included people in the managerial as well as technical cadre. The managerial respondents comprised of HR manager, brand manager, manager (Quality assurance) etc. while the respondents from technical cadre included medical consultants (i.e. physicians and surgeons), bio medical engineers, interns etc. Sample size was fourteen. Given the generative purpose of the interview, the sample size did not have to be large since "the validity, meaningfulness, and insights generated from qualitative inquiry have more to do with the information-richness of the cases selected and the observational/analytical capabilities of the researcher than with sample size" (Patton, 2002, p.185). Judgmental sampling technique was used keeping in mind the approachability and criticality of the position of the interviewee. Selection of participants ensured that they were "appropriate" opinion leaders with well-developed views on the research topic (Minichiello, Aroni, Timewell, & Alexander, 1995). An interview guide was developed which enabled the researcher to follow a consistent process yet being flexible throughout the interview giving it a semi-structured look. The interviews were kept open-ended in order to get an insight into the mental models of the respondents and a complete picture of the various issues under exploration. Certain key points pertaining to the central theme of talent management were framed on the spot keeping into consideration the ulterior motive of the interaction.

Grounded theory approach is used to analyze the responses of the respondents. Analysis involved breaking down the transcripts into "thought units" that ranged from a phrase to several sentences. These codes were then analyzed and those that related to a common theme were grouped together resulting in a higher order commonality called a concept. Concepts were then grouped and regrouped to find yet higher order commonalities called categories. The findings are based on these categories.

4. Case Study

Upchaar(name changed), a super-specialty Hospital is an initiative of one of the largest business conglomerates of India, determined to create one of the largest chains of hospitals in India. The name of the hospital is camouflaged here due to information sensitivity issues that have entered the Healthcare sector with a view to become the best and the largest player in this fast growing sector. Nivaran is the first of the three multi-disciplinary, super-specialty tertiary care hospital planned and is operational in North India. It is presently operating with 250 beds (which will be expandable to 554 beds).

The hospital has 44 major specialties that include medical specialties, surgical specialties, investigation specialties, emergency & trauma care, critical care facilities, blood bank, nutrition & dietetics, physiotherapy, alternative medical sciences etc. The hospital makes an attempt to hire dedicated, expert and experienced doctors and paramedical professionals adhering to the international protocols to create a rich pool of resources. It also assures patients of quality and compassionate care with the theatres, ICU's, Laboratories, and Diagnostics& Rehabilitation. Apart from that, Nivaran's aesthetical design and ambience combines well with functional values to deliver a most satisfying experience to the patients and as well as to their near and dear ones. The investigative services are centrally available in the hospital and include radiology, pathology, endoscopy, latest generation cardiac CT, MRI, & Pathology Labs and special diagnostic services.

Despite having all these positives, the hospital fails to retain the talent it hires. There is serious disengagement among employees regarding issues pertaining to different cadres. This not only adds to its recruitment and selection costs but is also creates a bad employer image. These issues were explored in detail by getting into the minds of the employees through in-depth interviews. Depending on the age, professional status & openness of the candidate (interviewee), the common thread of the interaction revolved around following key identifiers:

- The way with which employees relate the leadership styles of their superiors with job satisfaction.
- Behavioral categorization of company leaders by delving into the mental models of the respondents.
- The best way of attracting & retaining talent in hospitals.
- Motivational baits for employee retention that the organizational leaders may adopt (incentives, infrastructure, promotion schemes, designation, organizational culture, organizational climate, exposure, training &development opportunities etc).
- Level of succession planning promoted.
- What employees liked & disliked about the specific organization & how they compare it with other branded healthcare players.
- The status of attraction and retention in this particular hospital. Reasons why this organization is facing problems in attracting and retaining talent?

5. Findings

Based on the results of content analysis, the leadership styles in the organization units were segregated into various recurring three theme clusters (denoted by role of leader as an intimidator, seduction or pleasing/staff authority) that the respondents identified their superiors with and then its corresponding impact on talent management was deducted as follows:

LEADERSHIP ROLES IN ORGANIZATIONS & IMPACT ON TALENT MANAGEMENT		
ROLE AS AN INTIMIDATOR	CHARACTERISTICS	IDENTIFIED IMPACT ON TALENT MANAGEMENT
1. Excitable	Strengths: Acts with passion, urgency and enthusiasm. Issues: Unpredictable, volatile, bullying, abusive.	Employees with type Y personality identify themselves better in such organizations because passion for work is at the top of their minds. Retention is low for employees who are conventional, over sensitive and formal in approach.
2.Skeptical	Strengths: Very insightful about others' motives and intentions, good at challenging their assumptions. Issues: Argumentative, mistrustful, disputatious and litigious.	Employees with a cautious attitude love to work with leaders of such temperament due to mental compatibility. Retention may be low due to local politics arising out of mistrust and arguments that may or may not have a basis.
3. Cautious	ngths: Avoids unnecessary risks, rarely makes dumb decisions. sues: Won't make decisions, resists new technology.	Entrepreneurial temperament of employees is a big deterrent for leaders since risk taking ability of cautious leaders is marginal and they are highly reluctant in new policy adoption or innovation. Employees who welcome change cannot be retained in such organizations.

4. Reserved	Strengths: Emotionally controlled and stable even under pressure. Issues: Insensitive to morale issues, uses silence as a weapon.	Employees with an upfront approach may not fit well in a reserved leader led organization. Retention of glib talkers and employees with high degree of ethical sensitivity may be difficult.
5. Leisurely	Strengths: Charming, pleasant, helpful and agreeable. Issues: Stubborn, procrastinating, resists feedback and requests for greater output.	Employees with a sweet tooth for glitz and glamour may be attracted and retained. However, type Y personality people may not be retained due to delayed work and less participatory opportunities with an unjustified demand for greater output.
ROLE AS SEDUCTION	CHARACTERISTICS	IMPACT ON TALENT MANAGEMENT
1.Bold	Strengths: Positive, 'Can Do' attitude towards challenges and obstacles, Charming and supremely confident. Issues: Won't listen, won't take blame and won't share credit.	Attraction and acquisition of employees may be easier due to initial charisma attached to the leaders. Retention of equally bold employees who seek credit for work would be very tough for the organization.
2.Mischievous	Strengths: Smart, charming, persuasive, fearless, willing to test the limits. Issues: Agenda driven, manipulative, doesn't learn from mistakes.	Attraction of young, energetic employees is certain. However, an over manipulative work environment or immaturity at work place may not be able to retain organized matured employees.
3.Colourful	Strengths: Entertaining, lively, energetic and fun loving. Issues: Distractible, disruptive, attention seeking, bloviating.	Acquisition of fun loving employees may be initially easy but an ill focused approach of organizational leader may not be able to retain the employees as their individual growth may appear getting stunted.
4.Imaginative	Strengths: Smart, original, creative and visionary. Issues: Erratic decision making, impractical ideas	Employees with a long term creative vision for the future get attracted to such leaders. However, retention might be difficult for employees who dislike ever-changing decisions which have no practical grounds for implementation.
ROLE AS STAFF AUTHORITY	CHARACTERISTICS	IMPACT ON TALENT MANAGEMENT
1.Diligent	Strengths: Hard working, high standards, reliable. Issues: Can't prioritize, Can't delegate, micromanages staff.	Employees with firm belief in smart work are rarely attracted towards such leader led organizations. If attracted then they their motive is to relax as the cost of the working lot. Inability of the leader to delegate work creates dissatisfaction among employees who seek participatory roles for self-growth and development.
2.Dutiful	Strengths: Utter loyalty to boss. Issues: No loyalty to staff.	Open communication of problems and issues can never take place due to the fear of the news getting carried away with a distorted meaning. People remain in closets and may find it difficult to vent out any dissatisfaction eventually leading to lowered retention rate.

6. Discussion

Superficial talent management practices are bounty in healthcare sector and only few are able to serve the purpose. Leadership roles have an impeccable impact on the attraction, acquisition and retention of intellectual capital.The gap between behavioral models of leaders and employees play a crucial role in managing talent. As a result, the rising attrition rate is fairly difficult to control. Multitude of grudge intensities is observed over the concept of succession planning. Conventional organizations like the one in case, which offer job security, are infected by parasitic employees who hardly offer anything substantial and only dilute the talent pool. External talent is quite reluctant in joining such organizations as they foresee their futuristic career graph getting ugly in the coexistence of bureaucracy, senior junior equation and low recognition of performance due to the leadership existing in the organization. All these factors pose a major hurdle not only in acquisition of talent but also in retaining and later upgrading them to a scale that a world class healthcare benchmark could be vitally attained.

7. Recommendations

In the process of talent mapping, greater emphasis should be laid on identifying top performers and then developing ways to attract, nurture and retain these valuable resources. In order to facilitate it, organization leaders have to play a strategic role. It requires them to align their strategies with overall business objectives. They should work in consultation with the business heads and develop workforce strategies that complement and enable both short—and long-term business objectives.HR executives must collaborate with business units to assess current and future workforce needs. This, in turn, enables companies to adjust training, development,

retention, compensation, recruitment and all related activities.In order to retain talent and integrate talent management with business strategy, organizations need to democratize succession planning to include the middle management, supervisory and the technical staff as well.

Going by the notion of 'workforce segmentation', different career management strategies need to be prescribed for employees from different talent categories. Knowledge and skill updating, recognition and rewarding of the knowledge and hard work of the employees, a safe and stable work environment, and an opportunity to be creative and entrepreneurial help a company to retain employees (Srivastava &Bhatnagar, 2008). The organization must regularly conduct employee satisfaction and employee engagement surveys to take immediate remedial measures for improvement. Exit interviews of those employees who leave leaving the organization should also be conducted as they provides valuable inputs for improving HR policies at the organization. In fact, building employer brand that stands for core organizational values and what value proposition it has to offer to its employees, will be critical in the search for key talent. Employer branding has become a key strategy (Brewster et al., 2005) to attract and retain the right kind of talent as people want to work for great brands.

While designing/ redesigning their talent management system, the organizations in healthcare must pay heed to certain key areas. They should try to assess the lacunae in their current succession planning. They should develop a holistic and integrated talent management model spanning all the important HR functions with a focus on attraction, engagement and retention of the competent employees within the organization. They should also try to identifythe value of proactive talent management processes and simultaneously review contemporary pressures from internal as well as external business environment and their impact. It is also important to evaluate the existing talent management processes from time to time and adapt them according to the changes in business environment.

On the basis of our findings we propose a talent management model (refer Fig. 1). The model encompasses the two level way of managing talent – external (outside organization) & internal (within the organization). External talent management pertains more to attracting superior quality talent whereas internal talent management deals with compensation, rewarding & performance management. Three vital bear balls drive this machinery in the healthcare industry. These are management, the technical staff and the managerial staff. Each class of employees have different set of expectations that need to be fulfilled so that the talent pool is prevented not just from drying up (attrition) but is also enriched (talent attraction). Based on this, employee value proposition as bait elements for talented workforce has been fashioned in the proposed model.
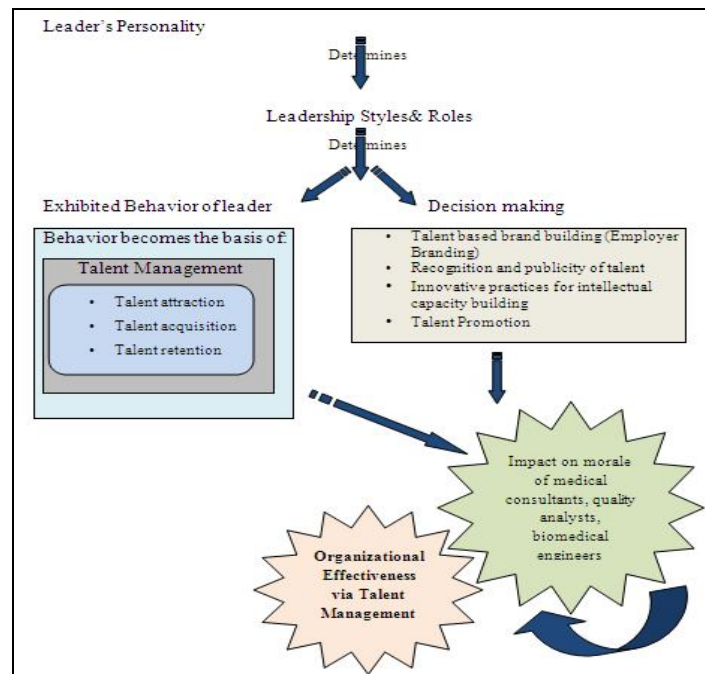

Figure 1: The Suggested Model on Leadership Role in Talent Management

8. Limitations & Directions for Future Research

This was a qualitative study with its findings based on a single organization. In future, empirical studies can be conducted to cover a larger breadth of healthcare population. Studies could be conducted on the different psychological factors among the employee that makes them leave the organization. Another area of exploration could be related to employer branding of the health care organizations. That is the way these organizations can be developed into employer brand in order to attract and retain super specialized talent.The limitations of this study include a sample drawn from a single organization which limits the generalizability of the results across the healthcare sector. Despite the small sample size and the subjective nature of self-reported career histories the study provides insights into the talent management dynamics in the healthcare sector. The open criticism against the currently

practiced talent management system and the fear of getting highlighted as a detractor of HR policies & the brand name is also seen as a major limitation.

9. Conclusion
Healthcare has always been at the epicenter of service sector because of its direct promise to life expectancy. With the talent indices going a toss due to variables like poorly defined job preview, myopic recruitment planning, increased career alternatives, poor retention strategies & hurdles of succession planning: there is a marked urge to go beyond the currently practicing boundaries of talent management in India on the healthcare horizon. The extent does not confine to the management driving the industry but also the medical consultants who are on a constant shift in search of greener monetary pastures.There's a significant and growing shortage of healthcare workers as the field is knowledge intensive. Recruiting and retaining skilled workers is becoming difficult and competitive. Health systems are spending significant time attracting, recruiting critical talent and keeping them engaged to ensure their stay with the organization. Resourcing of the best candidates from a bigger talent pool rather than the available applicants result in a more efficient talent acquisition. Here headhunters and professional networking sites like LinkedIn etc. may play a major role. During talent acquisition, a match should be made between the personal goals and values of the applicant to make a better culture-fit. This would help in anchoring the employees to the organization and reduce attrition. Managers should strive to create an environment, which induces passion among the employees about their work and leads to the behavior that organizations need to drive better results.
This is an exploratory endeavor to find out the state of talent management practices in a highly knowledge intensive healthcare sector. Yet it has implications for both researchers and practitioners in the field. It gives new insights to the researchers to base their future studies and validate the results of this exploratory study. It also brings into light the contextual factors that hinder the talent management practices to come into reality. For industry, an endeavor of the sort would help healthcare practitioners in acquisition, development, retention & management of the pool of talented employees that this promising industry has invested in for milking long term benefits out of them. It would help them in designing talent management interventions that would not only attract super-specialized talent to their organization but would also help them tackle the problem of a high attrition rate. An endeavor of the sort would help healthcare players in acquisition, development, retention & management of the pool of talented employees that this promising industry has invested in for milking long term benefits out of them.

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