

Novartis Builds a Dynamic Organization Leveraging a Skills-Based Internal Talent Marketplace



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A Leading Global Medicines Company

Based in Basel, Switzerland, Novartis has more than 100,000 employees from more than 140 nationalities worldwide. In the U.S., Novartis has nearly 16,000 full-time equivalent employees in skilled positions, including more than 5,500 scientists, physicians, and other R&D professionals.

Driven by its purpose to reimagine medicine to improve and extend people's lives, and guided by its vision to become the most valued and trusted medicines company, Novartis has positively impacted the lives of 269 million patients. Its strategy is delivering high-value medications that address society's most-pressing health challenges via technological leadership in R&D and innovative access approaches.

Novartis' people strategy has earned numerous awards and recognitions. In 2023, the company featured in the Bloomberg Gender-Equality Index,¹ and it received a gold medal at the Brandon Hall Excellence Awards in three categories: "Best Advance in creating a Talent Management Strategy," "Best Unique or Innovative Talent Management Program," and "Best Advance in Talent Management Technology Implementation."² Novartis was ranked third in the world by the Association of Talent Developers and named one of *Fortune's* world's 25 best workplaces.^{3,4}

A New Talent Model: From Jobs and Roles to Skills and Work

Work environments that are increasingly project-based require workers to develop a diverse range of skills. Simultaneously, companies must pivot their talent approaches to focus on a skills-based understanding of work that transcends specific jobs roles. Novartis aimed to transform into a more dynamic and skills-based organization for three primary reasons:

1 [Awards and Recognition](#), Novartis/novartis.com, 2023.

2 [Brandon Hall Group Excellence Awards: Winners](#), Brandon Hall Group/excellenceawards.brandonhall.com, 2023.

3 [Awards and Recognition](#), Novartis/novartis.com, 2023.

4 Ibid.

Summary

Challenge

- Understanding what skills are needed in a rapidly transforming industry.
- Improving talent mobility to meet the pace of technology, different business models, and changing customer expectations.
- Seeking speed and organizational agility to deploy talent against the needs of the company faster than in the past.

Solution

- Focused on "5 big bets" supported by four key enablers to become a more dynamic, skills-based organization.
- Rolled out an internal talent marketplace on Gloat from the ground up, creating intrinsic motivation and scaling rapidly.
- Used technology from Gloat, Lightcast, and (soon) Workday to provide different elements of workforce planning and skills management.

Results

- 30,000+ employees registered on the talent marketplace and cross-functional assignments saw a 67% increase.
- Created an approach and a technology that enables innovation, drives internal mobility, and creates workforce transparency for better business outcomes.
- Set the stage for skills-based workforce planning through leading insights into the skills requirements and availability.

1. **Insights into emerging skills for the future:** Driven by technology, evolving business models, and shifting customer expectations, the Novartis People and Organization (aka "HR") team realized the importance of establishing a stable platform to manage a comprehensive overview of its skills to meet ever-changing needs.
2. **Deconstruction of work from jobs into smaller activities and projects:** As work transitions from traditional job roles and fixed organizational structures

to a focus on tasks and projects, emphasizing skills becomes increasingly critical, particularly within a large organization like Novartis. Leaders can no longer simply define “work” but rather they must convey the specific skills necessary to perform tasks and deliver on projects.

- 3. Speed and organizational agility:** Linking the first two reasons, Novartis recognized speed and organizational agility were essential to keeping pace with the rapidly changing talent marketplace. The company needed a more flexible approach to its people structure and strategy to swiftly deploy talent according to organizational needs.

Critical for Novartis' transition into a skills-based organization was a new approach to workforce planning. In the pharmaceutical industry, the adoption of agile work practices presents challenges for companies like Novartis, as they strive to stay ahead of the curve by investing in skills such as omni-channel customer engagement, customer experience management, and digital engagement, in response to the emergence of entirely new job roles.

“ *We are clear on our objective: We need to ensure Novartis has the talent, skills, and organizational capabilities to deliver the business strategy.* ”

Markus Graf, Vice President, Global Head of Talent, Novartis

As Novartis embarked on the journey to build the digital infrastructure necessary for its evolution to become a dynamic, skills-based organization, it encountered a challenge in establishing a stable foundation capable of accommodating the fluid nature of evolving skills. Novartis needed consistent interfaces that would engage rather than alienate employees as they integrated their skills into the system. Graf noted “It was not a straightforward task because it involved more than just transferring data from point A to B. We had to translate different taxonomies in real-time.”

Novartis also grappled with the complexity of its extensive value chain, which creates a multitude of job roles—the company boasts a staggering 33,000 distinct titles for over 100,000 people. As Graf pointed out: “The complexity of a pharmaceutical giant is formidable.”

Creating a Cross-Functional Program for a Skills-Based Solution

Traditionally, HR at Novartis maintained a siloed approach to talent acquisition, talent management, and learning. However, the company recognized embracing a holistic, integrated perspective would enable it to establish the essential connections needed to transition from the skills assessment and understanding phase to an operational phase.

To address the complexity of its jobs architecture, Novartis leverages technology from three different providers: Gloat, which facilitates the matching of skills and talent with opportunities in the internal talent marketplace; Lightcast, which provides labor market analytics and insights; and Workday, which replaced the current human capital management (HCM) system and serves as the company's comprehensive HCM platform. Novartis chose to work with raw data to inform decisions regarding its new, skills-based approach, and this allowed it to categorize and standardize data related to roles unique to the healthcare and pharmaceutical sectors.

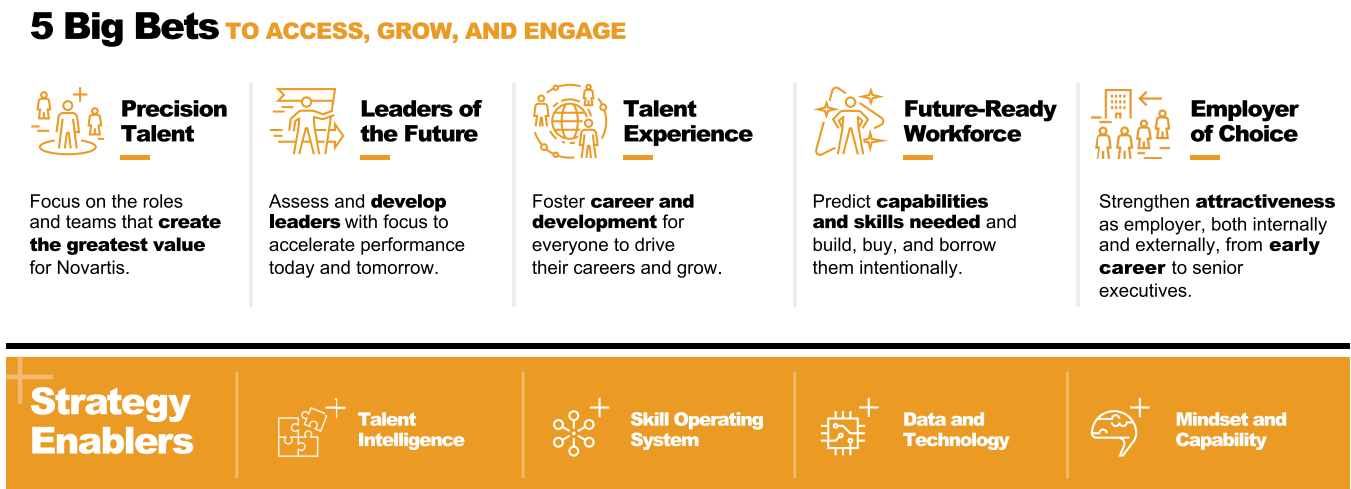
“5 Big Bets” Supported by Four Enablers

Novartis implemented “5 big bets” to optimize its talent strategy to ensure it has the talent, skills, and capabilities to deliver on its business strategy: precision talent, leaders of the future, talent experience, future-ready workforce, and employer of choice. In support of recruiting diverse top talent, enhancing business performance and innovation, and maintaining competitiveness, Novartis has also implemented strategic enablers: talent intelligence, skills operating system, data and technology, and mindset and capability (see Figure 1 on the next page).

Harmonizing the Skills Approach

Creating a unified skills taxonomy was a pivotal step for Novartis in its quest to become a dynamic organization. The company was drawn to Gloat's platform approach due to the potential to seamlessly connect the labor market, the external environment, and the relevant skills—all crucially linked to growth opportunities. As software vendors transition from single-use cases to a platform-based approach, Novartis

Figure 1: Novartis' Talent Strategy



Source: Novartis, 2023

positioned itself to harmonize its skills taxonomy using Gloat, Edcast, and Lightcast. Previously, when the company had attempted to create a single taxonomy independently, it faced challenges because skills impact everything in HR in different ways. “It wasn’t easy, given the continuously evolving landscape,” Graf commented.

Gloat played a pivotal role in providing insights into skills by identifying employee skills, suggesting related skills, inferring skills from individual’s profiles, and subsequently matching individuals with various opportunities such as learning, job placements, mentoring, gigs, and projects, all based on their skills. This skills information is stored in Workday in worker profiles and can be used to facilitate talent acquisition and define job roles within the job architecture, including creating requisitions.

“It’s not a straightforward process, and there isn’t a one-size-fits-all approach,” Graf commented. Novartis tackled the challenge of building a nearly seamless interface by prioritizing primary use cases and finding ways for all three vendors to collaborate effectively. The company determined the most effective way to leverage Lightcast labor market analytics was to feed Gloat with the same skills translation and establish certain “jump-off” points, while still retaining Workday as the core HCM platform.

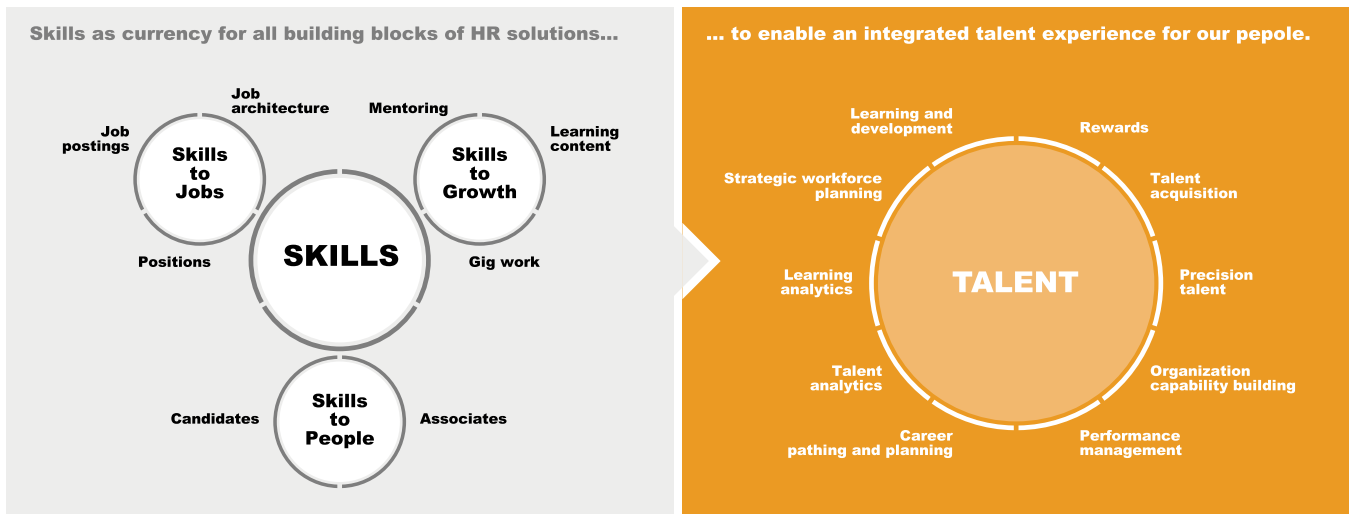
Match: A Talent Marketplace That Connects People with Opportunities

Novartis named its new internal talent marketplace built on Gloat “Match” because of its matching potential. Match provides personalized recommendations for new roles, projects, short-term assignments, learning content, and mentoring, which give every associate at Novartis the opportunity to actively drive their career and ultimately unleash their power all based on their skills, not their current job. Match allows associates to identify and assess their skills, suggests related skills, infers skills from other profiles, and subsequently matches individuals with opportunities (see Figure 2 on the next page). Today, it provides access to over 250,000 learning resources to upskill associates, preparing them for new opportunities they may want to pursue to develop their career and that align with Novartis’ strategy.

A Test and Learn Rollout Focused on Experience and Rapid Scale

When Novartis launched Match, it did so with a “test and learn” approach to ensure it provided the type of experience users would recommend to others, always with the intent to scale. By starting small among units that were eager to test out the new skills-based talent marketplace, Novartis made improvements in the implementation process. As the company piloted and learned, it scaled further, allowing for rapid adoption and

Figure 2: Match, the Internal Talent Marketplace with Skills as the Currency for Talent



Source: Novartis, 2023

organic growth. More than 30,000 people at Novartis learned about Match through recommendations rather than a top-down rollout. “There was no big central campaign,” said Graf. “And it worked quite well. It was a good way to roll it out.”

Driving Internal Mobility, Business Growth, and Team-Based Work

Novartis has seen many benefits—including a 67% increase in cross-functional project assignments and more than 30,000 registered users—from establishing a skills taxonomy as the foundation for an integrated platform and interface aimed at identifying the hot skills and roles for the future. Also, Match provides a variety of benefits for different stakeholder groups (see Figure 3 on the next page).

Lessons Learned

Building an internal talent marketplace shifted Novartis from traditional, siloed, and disconnected approaches to employing and retaining talent among its workforce. This transformation turned the company into a dynamic organization capable of harnessing skills for current and future innovation, redesigning work for the future around the skills of individuals, not rigid job

titles. Novartis cultivated a culture of connectivity and learning, leading to improved business outcomes and promising potential for further workforce planning and companywide insights.

- **When it comes to questions about skills, the more specific the approach the better the outcome.** The Novartis HR team learned the importance of staying one step ahead of the market by anticipating skills needs through a series of steps that highlighted the specific skills required for tasks like implementing data from smartwatches in clinical trials.
- **To achieve the most effective adoption of a new platform, start small and then expand.** Instead of relying on an executive leader to mandate the use of a technology program, Novartis began on a small scale, allowing employees to embrace the platform based on recommendations from others who had experienced success. This approach resulted in more than 30,000 registered users.
- **Strategically selecting and implementing technology is critical.** The Novartis team recognized building a skills taxonomy and creating a platform for skills-based work required more than one technology solution. The integrated technology architecture from Gloat, Lightcast, and Workday streamlined the approach, providing a seamless, user-friendly employee experience.

Figure 3: The Benefits of Match

For Employees	For Managers and Leaders	For HR
<ul style="list-style-type: none"> • Drives internal mobility: Match encourages employees to explore and acquire new skills beyond the jobs for which they were initially hired. • Expands the flexibility: Individuals are enabled to grow further within the organization and exercise more discretion. • Democratizes talent management and breaks down silos: People receive personalized recommendations for opportunities in other functions or geographies. 	<ul style="list-style-type: none"> • Demonstrates a good business case: With data fed into Match, Novartis tracks how many hours people spend on projects, unlocks time, and demonstrates a return on investment for the technology. • Creates excitement among senior leadership: Match is strategically used to discuss key skills to focus on to deliver on the strategy. • Yields cost savings and promotes innovation: Expensive consultant and contractor projects are completed with internal resources, while simultaneously fostering career development. Tapping into talent across the company allows leaders to achieve innovation otherwise impossible within functional silos. 	<ul style="list-style-type: none"> • Offers more robust, centralized solutions: Instead of having multiple, single-use cases across the enterprise such as mentoring and project-based platforms, Novartis has a single system for skills, mobility, projects, and workforce planning. • Provides a comprehensive view of projects, roles, skills, and marketing: The HR team more easily tracks where associates are dedicating their time. • Facilitates advanced, skills-based workforce planning: By utilizing skills insights generated by the talent marketplace, Novartis identifies trends, leverages data to generate insights for leadership, and drives decisive action to recruit, retain, reskill, and redesign strategically.

Source: The Josh Bersin Company, 2023

Conclusion and Next Steps: Workforce Planning and Enterprise Insights

Many of the results that Novartis has achieved by transforming into a dynamic, skills-based organization are still in development, prompting the company to identify various directions for future applications.

Workforce Planning and Applicant Tracking

The internal talent marketplace enables Novartis to conduct workforce planning based on required skills rather than on headcount alone.

The focus lies in establishing a baseline for job architecture and labor market data, which is accessible to all associates who can log onto the platform and identify the skills they lack for their respective roles. Novartis also gives associates the ability to self-assess against more targeted projects and add the necessary skills they wish to acquire.

The company is currently in the process of implementing the Workday/HCM system. This platform integrates baseline skills and labor market data from Gloat's platform with Lightcast to continuously update the top skills within the job architecture, offering more detailed information.

"As a result, we can identify the top skills required for any job within our job architecture and keep it up to date," said Graf. "For instance, when searching for a sales representative, we have a comprehensive understanding of the skills required for that role with a baseline that includes all major pharmaceutical companies. We then engage in workforce planning, delving into greater detail to examine how roles are evolving and determining the roles we need."

Developing Specific and Enterprise Insights

As Big Pharma turns to applications like sensors to aid patients in monitoring and delivering vital information to healthcare providers, Novartis sees more opportunities for its platform to be well-prepared for new roles well in advance. "We could use labor market data to examine the roles competitors

are adopting, the skills they're seeking in their hires, and even drill down to the level of job postings," said Graf. For instance, if it wants to understand how a key competitor is using smartwatch data, Novartis can analyze the dataset and review all the job postings for individuals with experience in implementing smartwatch data in clinical trials. Novartis can then use this to inform its employees, saying: "You currently lack these capabilities, so how can you acquire them?"

This approach would enable Novartis to assemble a team with the necessary skills for a project. Graf emphasized the significance of such specific insights to the company's strategy, stating: "In inquiries about skills, the more specific the better. Broad descriptions don't lead to highly targeted results."

Novartis is exploring enterprise insights with the aim of understanding the roles undergoing the most significant changes companywide. This initiative builds on a recent project that used labor market data to assess not only the top 20 roles at Novartis but also the skillsets that have evolved the most over the past five years for individuals in those roles.

Graf added: "Another area we are still exploring is how we can use skills to gain a deeper understanding of our organization. In the current job architecture, positions are still linked to the organizational hierarchy for reporting. Instead of functional clusters, there would be workforce and capability clusters, viewing people not in terms of who they report to but in terms of the skills they possess. We now have the data and the capacity to utilize it in such a manner, and it's a really powerful approach."

An internal talent marketplace segues a company from being traditional to being dynamic.

About the Authors



Josh Bersin

Josh founded Bersin & Associates in 2001 to provide research and advisory services focused on corporate learning. He expanded the company's coverage to encompass HR, talent management, talent acquisition, and leadership and became a recognized expert in the talent market. Josh sold the company to Deloitte in 2012 and was a partner in Bersin by Deloitte up until 2018.

In 2019, Josh founded the Josh Bersin Academy, a professional development academy that has become the “home for HR.” In 2020, he put together a team of analysts and advisors who are now working with him to support and guide HR organizations from around the world under the umbrella of The Josh Bersin Company. He is frequently featured in publications such as *Forbes*, *Harvard Business Review*, *HR Executive*, *The Wall Street Journal*, and *CLO Magazine*. He is a popular blogger and has more than 800,000 followers on LinkedIn.



Kathi Enderes, PhD

Kathi is the senior vice president research and global industry analyst at The Josh Bersin Company, supporting clients and the market with evidence-based insights on all areas of HR, learning, talent, and HR technology. Kathi has more than 20 years of global experience from management consulting with IBM, PwC, and EY, and as a talent leader at McKesson and Kaiser Permanente. Most recently, Kathi led talent and workforce research at Deloitte. She is a frequent keynote speaker, author, and thought leader. Her passion is to make work better and more meaningful.

Originally from Austria, Kathi has worked in Vienna, London, San Francisco, and Spain and now lives in Palo Alto, California. Kathi holds a doctoral degree in mathematics and a master's degree in mathematics from the University of Vienna, Austria.

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For more details, contact us at info@bersinpartners.com.