

Managing Talent in the Modern Business World

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Abstract

In the modern business world "Talent management" is the systematic effort to recruit, develop and retain highly productive and promotable people. The term has been analyzed very thoroughly by scholars like Rothwell and Kazanas. The analysis of this has come a long way and has advanced to an extent where it's role in the corporate world today is indispensable. It's partly the reason behind the success of many firms as it's bearing on personnel management has been immense to manage the talent and because of it how its contributing towards the growth of human resource and how its leading to a kind of vicious circle and finally reaching the growth of overall development. With this background the main objectives of the paper is like To review the concept of "Managing talent", To examine the techniques implemented by companies for effective talent management, To analyze how firms can adapt and improve on managing talent at Dakshina Kannada. This research paper will be analyzed with the help of making use of both the primary and secondary data so that the objectives given above are justified. For the secondary source available literatures will be made use and for primary data survey will be undertaken in Dakshina Kannada. So that an interpretation of how firms manage the talent of the existing employees, explaining how managing talent affects the performance of companies.

Keywords: Managing talent, Modern Business, Effective management

Introduction

Talent management is the systematic effort to recruit, develop and retain highly productive and promotable people. This concept has been analyzed very thoroughly by scholars like Rothwell and Kazanas. The analysis of this concept has come a long way and has advanced to an extent where it's role in the corporate world today is indispensable. It's partly the reason behind the success of many firms as it's bearing on personnel management has been immense to manage the talent and because of it how its contributing towards the growth of human resource and how its leading to a kind of vicious circle and finally reaching the growth of overall development. With this background the main objectives of the paper is as follows,

Objectives

- To review the concept of "Managing talent".
- To examine the techniques implemented by companies for effective talent management.
- To analyze how firms can adapt and improve on managing talent at Dakshina Kannada.

Methodology

This research paper will be analyzed with the help of making use of both the primary and secondary data so

that the objectives given above are justified. For the secondary source available literatures will be made use and for primary data survey will be undertaken in Dakshina Kannada. So that an interpretation of how firms manage the talent of the existing employees, explaining how managing talent affects the performance of companies.

Results and discussions

Managing talent has gained prominent place in Corporate and Industries which are concerned much on the talents to march forward the business in the competitive era. In India, 25 per cent difference in attrition rate translates into a million-dollar organizational expense to replace these professionals for every 50 positions in the firm (Jonathan et al, 2011). Talent management has become a central component of corporate human resource strategies and has recently gained increasing interest in the area of human resource research (Berger and Berger, 2003; Burbach and Royle, 2010; Capelli, 2008) and also it's better to develop talent rather than acquiring talents. But the industries do develop and recruit the talents and manage it. Hence the importance of talent and talent management has been prioritized in life cycle of human resource activities. According to Lewis and Heckman's (2006) Talent Management comprises of three different conceptions which are as follows,

- a) A collection of typical human resource department practices,
- b) The flow of human resources throughout the organization,
- c) Sourcing, developing and rewarding employee talent.

Corporate bodies or organisations that have declared their commitment to talent management, a sense of “passion”, and “pride” can be found amongst those responsible for its implementation (Morton, 2005). Chambers (1998) mentioned that organizations need to “elevate talent management to a burning corporate priority. Talent management emerges as being different from traditional HRM, incorporating new knowledge rather than being a simple repackaging of old techniques and ideas with new labels (Chuai, Preece, & Iles, 2008). (Evans, 1999) argues that companies have begun gradually to realize that talented employees play a critical role to the success of the organization. Talent management meets the demands that are associated with increased complexity and uncertainty. To achieve sustainable success, an organization should align these processes with its business strategies ((Nilsson & Ellström, 2012). Having talented individuals on the payroll is one thing; leveraging their capabilities to secure competitive advantage is another (Lawler, 2009).

Talent management practices in industry practices are of different dimensions such as Workforce planning, recruitment, on boarding new hires, training and development, coaching, employee engagement, high performance development, rewards and recognition, succession planning, record keeping reporting and analysis, culture and values (Joel Alemibola Elegbe, 2012). Talent management practices are aimed for business results like business or financial performance of an organization and work force results like skill development and professional development. This study tries to attempt to find out the best practices among the four industries, common talent management practices across those industries and its benefits.

Literature Review

Literatures by eminent researchers like Ulrich (1989, 1996, 2005), Pfeffer (1998), Woodruffe (1999), Barner (2000), Michaels, Handfield- Jones and Axelrod (2001), Pucik (1996, 2005,) Sullivan (2004a), Meisinger (2009), Berger and Berger (2004), Rothwell (2005), Lawler III (2008) and Cappelli (2008) indicates the importance of talent management and its benefits. McKinsey suggested that the global war for talent is becoming a critical driving force in corporate competitiveness and performance, the notion of talent management has become increasingly popular (Axelrod et al., 2002; Michaels et al., 2001). Talent management is the additional management processes and opportunities that are made available to people in the organization who are considered to be ‘talent’.” (Blass, 2008). Talent management is the implementation

of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining and utilizing people with the required skills and aptitude to meet current and future business needs (Mudoli, 2008). Talent management considered to be closely related to concepts that include human resource planning, strategic human resource management, and employability (Brown and Hesketh, 2004; Collings and Mellahi, 2009; Lewis and Heckman, 2006).

Talent management is associated with a set of typical human resource practices or functions, such as recruitment, training, and development (Heinen and O’Neill, 2004). Managers should develop their strategy for talent Engagement, motivation, and retention according to talent’s external/internal factors (Ghalambor, n.d.). The pressure to attract and retain key talent has led organizations to expend increased energy and resources on talent-related initiatives over the past half-decade (Human Capital Institute, 2008).

In relation to the workplace, talent is described as the personal qualities “of those individuals who can make a difference to organizational performance either through their immediate contribution or, in the longer-term, by demonstrating the highest levels of potential” (CIPD, 2012). Today’s talented employees have much greater expectations of the developmental and psychological rewards they get from their work and it is no longer sufficient to offer high salaries alone (UK commission for Employment & Skills, 2012).

Talent management is on the anticipation of future organizational employee or staffing needs, career advancement, and internal workforce matters (Schweyer, 2004). Talent is associated with general and contextually relevant competence as a foundation for successful employee performance and organizational competitiveness (Brown and Tannock, 2009). Talent essentially includes the competence that is central to individual employability. (Peter Bassett, Buxton, Pathania, & Sharan, 2007) pointed out that talent management practices help employees stay, focus on “fit”, ease transitions, make the position attractive, manage the “folklore factor”. Firm investments in training result in better organizational performance (Bartel, 1994; Kalleberg and Moody, 1994; Russel et al., 1985). The specific strategic focus of talent management systems leads to higher scores in measures of financial outcomes such as company profit, company and talent productivity and market value, increases nonfinancial outcomes at the company level such as company attractiveness, time for replacement, achieving business goals, operational excellence and customer satisfaction, non-financial outcomes on talent level such as job satisfaction, performance motivation, commitment, work quality, qualification are improved (Venkateswaran, 2012). Companies with automated talent systems are better at developing leaders, developing employees, planning future talent needs, building a pipeline of ready

successors. Companies using manual processes are just as good at hiring the best people, having right people in right jobs, creating high engagement, improving employee productivity, retaining top performers, building career paths, promoting employees, overall retention revenue-per-employee (Leonard, 2010).

With these review of literatures in the area of managing talent it's noteworthy to look into the various techniques adopted in organization or companies for effective talent management. It helps to analyze the challenges faced and what are the various techniques implemented for effective management.

Techniques of managing talent

Organizations have to put in sufficient effort in order to maintain talent so that they can succeed in the hyper-competitive and increasingly complex market. They must realize that managing talent is a key resource to achieve the best possible results. Talent is an increasingly scarce resource so it must be managed to the fullest effect. In order to gain competitive advantage they need to develop a strategic approach to talent management that complements the organization's values and combines it with the key business objectives so that staff can achieve their full objective.

Once the organisation is set upon the strategy that they want to follow then it is up to them to choose their approach of implementing their strategy. Some of the methods that organisations can choose from are like Inclusive approach, Executive talent pool approach, Future Leaders approach , Succession Planning approach , Blended approach.

There are different trends and techniques for implementing talent management. The organization must carry out such operations in such a way that they attain maximum benefit with a minimum probability for errors. The ultimate goal is integration, i.e., combining objectives of managing talent with the business objectives of the organization. But to get there, different talent management initiatives must be woven into a process and strategy. Only then can talent management pervade organization. There are various techniques involved in it.

Talent Management Alignment

Alignment involves bringing together different talent processes to function with the objectives of business in mind. Alignment increases visibility to talent processes and allows the organization to make optimum use out of the available employee and business data. This is the first step towards the desired integration of business and employee objectives.

a) Establishing a specific department itself for managing talent instead of just making it an initiative for the HR department to take up. This requires engaging with and assigning key decision makers who wise solely look into managing talent for the organization.

b) Developing new organizational structures and assigning new roles and responsibilities in support of the objectives of integrated talent management.

c) Evaluating current business processes to identify new opportunities.

d) Planning and budgeting for change management to ensure acceptance and usage of integrated talent management across the organization.

Trait-Based Assessments

Hiring only on the basis of interview will not be of much benefit to the firm as it doesn't offer the firm enough to make an informed decision. To improve results, more organizations are turning to personality assessments combined with interviews and other tests or activities gives the firm a proper overall view of the prospective candidate. In the modern business environment, trait based assessment is seen as a necessary procedure in hiring employees and has been proved to be very effective. These assessments provide an objective evaluation of a candidate's fit for a position and organization while creating a more efficient and more effective interview process. Better job fits can also lead to higher employee productivity, reduced training and hiring costs, and decreased turnover.

Competency Management

Competencies refer to the different qualities such as skills, knowledge, behaviors and abilities which are the unique keys to success in an organization. Desired integration is attained when the competencies of the organization has an effect on the talent processes of the organization. Competencies of one company don't necessarily work for another company. They must be drawn from your leaders and top performers, and from the culture and values of the organization. Furthermore, competencies must be managed over the long term to make sure that they evolve as the needs of the organization change. Efficient competency management increases the organization's visibility into the knowledge, behavior and skills that allow employees to be successful in the organization and enables you to build recruiting, performance, learning, compensation and succession processes that lead to business results.

360 Degree Surveys

This is a performance appraisal system that gathers feedback on an individual from a number of sources (such as colleagues, managers and customers). These sources typically complete a questionnaire consisting of a number of statements rated on a scale. A report is then written summarising the feedback for the individual. A 360 degree survey can easily collect feedback about an employee's performance and also provide insights regarding other skills, capabilities, abilities, knowledge

and behaviours that uncovers hidden talent and address performance gaps.

Employee Profiles

The implementation of talent management in a company gives it the opportunity to develop and maintain a talent profile for an employee that can guide and inform decision-making and planning. Preparation of the employee profiles helps the organisation to enhance succession planning, workforce planning and many other important business initiatives. Organisations should make it a top priority to create employee profiles in order to assess them.

Succession Planning

Succession planning is the combination of a number of talent processes, including learning, performance management and a strong baseline of competencies. It is a process of identifying and developing internal people with the potential to fill key business leadership positions in the company. Succession planning increases the availability of experienced and capable employees that are prepared to take up those roles as they become available. It is also known as replacement planning and it focuses on identifying specific back-up candidates for given senior management positions.

Organizational Surveys

An effective way of enhancing talent of the employees is by bringing desirable change in the management. The views and opinions of the employees, i.e., the changes the employees want and don't want to see in the organization as well as changes in the talent enhancement activities are to be considered by the organization. Understanding employee perceptions and attitudes is an essential component of employee engagement and retention. Organizational surveys have proved to be a massive help to the organization as it helps them to understand employee characteristics, opinions, and attitudes which are used as baseline measures at the beginning of any management initiative.

These are the various techniques used in organizations to manage their talents and here its reviewed with the help of the secondary data. Keeping this as base primary data has been collected to overview the said objectives.

Firms adapting managing talent at Dakshina Kannada

For the analysis data is collected from two prominent organizations and data is interpreted as follows based on the different idea which has been analyzed about managing talent.

Table- 1: Experience of workers in firm A and B

Experience of works in years	Firm A	Firm B
<1	2	0
2-5	2	6
5-10	4	2
>10	2	2

Source: Primary data

Table – 2: Awareness of managing talent in firm A and B

Awareness	Firm A	Firm B
Yes	10	10
No	Nil	Nil

Source: Primary data

Table- 3: Awareness of the policies and procedures of the firm

Status	Firm A	Firm B
Not at all	0	4
Aware but not much informed	6	4
Better knowledge	4	2

Source: Primary data

Table -4: Employers helping the organization to achieve its aims

Employers contribution	Firm A	Firm B
yes	10	0
No	0	6
May be	0	4

Source: Primary data

Table – 5: Employers satisfaction with the current system of managing talent

Employers satisfaction	Firm A	Firm B
Yes	4	0
No	6	10

Source: Primary data

Table -6: Opinion about the compensation and rewards offered by firm

Status of compensation and rewards	Firm A	Firm B
Excellent	2	0
Very good	2	6
Good	0	0
Poor	6	4

Source: Primary data

Table -7: Adequate training and development programmes offered by the firm

Status	Firm A	Firm B
Yes	10	4
No	0	6

Source: Primary data

Table-8: Opinion of firm’s appraisal system

Opinion	Firm A	Firm B
Very good	4	0
Average	6	4
Poor	0	6

Source: Primary data

Table-9: Method of recruitment preferred

Preference	Firm A	Firm B
Centralized	6	2
Decentralized	4	8

Source: Primary data

Table - 10: Managing talent has improved certain areas

Areas	Firm A	Firm B
Standards	4	2
Monetary incentives	0	2
Appraisal	2	2
Employee development	4	2
None of these	0	2

Source: Primary data

These analyses have contributed for the analysis of managing talent in Firm A and Firm B in city of Mangalore, Dakshina Kannada which is termed as smart city and one of the city which is fast growing.

Conclusion

The paper explored the different talent management practices that are being practiced in few industries and the common practices that are practiced across different industries. From the literature review on talent management few insights can be had such as there is scarcity for talent, all organizations are seeking the same kind of talent very aggressively hence retention becomes a crucial issue. Talent management has to start from the interview process to check if the employee is a right fit to the organization till employee separation where the employee parts the organization. It also has to be noted that talent management practices will differ across different levels and industries and hence proper care has to be taken to ensure that the right approach is taken for better results. With the increasing competition, dearth of talent, globalization and ever growing need to manage talent the scope for study of talent management practice gains prominent.

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