

A Study on Talent Management in Competitive Environment



ISBN: 978-1-943295-11-1

Jyoti Chandwani

Aditya Institute of Management Studies and Research
(Jyoti.c@aims.edu.in)

Bahul Chnadwani

Symbiosis Skilled & Open University
(chandwanib@gmail.com)

Talent management is the art and science of using Human Resource Planning to improve business value and to help organizations to accomplish their goals. Talent Management is not only limited to attracting the best people from the industry but it is a continuous process that involves sourcing, hiring, developing, retaining and promoting them while meeting the organization's requirements simultaneously. It is a fact that there are always some people who possess greater potential for value addition as compared to others in the same organization. The paper covers the importance of Talent Management along with the Challenges in the Competitive Environment.

Keywords: Talent, Management, Competitive, India, World

1. Introduction

Talent Management is a set of strategies and systems to increase 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. Talent management ensures organizations that right people with fit skills located at right place to access business strategy. In fact, talent management include complete set of process for recognize, managing people for successful of business strategy that organization used it. (Ballesteros, 2010)

Important element of talent management is total reward management which enables employees to be contented and satisfied at workplace four times leading to employee engagement and organizational success, furthermore 82% claims that employee recognition enhanced their job performance. According to the Corporate Leadership Council (2004), "when done well, practices that support talent management also support employee engagement"

Employee turnover is very dangerous for the organizations as there won't be consistency in the people contribution to organization if they leave the organization frequently. In refraining turnovers organizations need to understand different types, the nature of employee turnover, costs and its effects on the organization. Sometimes turnover is beneficial to organization by eliminating wrong employees and reducing the cost of the organization. It's important for the HR managers to implement proper systems in managing employee turnover and retaining its best talent (Ringo et al., 2010).

Employees are excellent source of value addition to organization by means of providing competitive advantage in today's knowledge based economy (Barlett and Goshal, 2002), most researchers agree that the knowledge workers are skilled and able to adapt to the changes in the business environment to solve day to day problems. Thus, adding value to the organizational productivity and performance (Davenport et al., 2002). It's important to provide talent development opportunities based on the competency and business requirements. High quality talent management enables the employees to develop their competencies, attitudes and improve organizational performance (Abel, 2008).

2. Literature Review

Srivastava and Bhatnagar (2007) in their case study of Motorola in India, highlighted the impact of due diligence in talent acquisition which is the most crucial problem faced by the organizations in the present times. The practices which are used innovatively by one company become table's takes soon as they are followed by more or less every organization in the industry. But this is important for the organizations to keep their own goals and culture in mind, based upon which they should design their recruitment strategies. One strategy does not support every organization. Philips, (2008) in his study states that use of e-recruiting and web functionalities had become collaborative approach in acquiring and managing talent. The online experience of web browser access, interactive interfaces, social networking, collaboration and community are now commonplace with candidates. Today, Internet users are old and young, male and female, skilled and unskilled. The use of the web for recruiting is no longer confined to professional and salaried positions. Increasingly it is also being used for recruiting for hourly jobs.

Madeline Laureno (2013) in his research felt that Talent acquisition has evolved from a tactical, back-office process to a strategic endeavor that directly impacts organizational growth. Organizations struggling to identify and attract talent must rethink their current strategies and technology options in order to align with corporate objectives. A detailed survey was conducted with 234 organizations to explore how best-practice organizations build result driven talent acquisition programs, align goal with business objectives and to leverage world class technology to achieve results.

Kumudha & Priyadarshini (2016) Talent acquisition is the process of finding and acquiring skilled human labor for organizational needs and to meet any labor requirement. When used in the context of the recruiting and HR profession, talent acquisition usually refers to the talent acquisition department or team within the Human Resources department. The talent

acquisition team within a company is responsible for finding, acquiring, assessing, and hiring candidates to fill roles that are required to meet company goals and fill project requirements

Rosemary and Colvin (2011) in their study identified the factors responsible for employee attrition and suggested solution for reducing it. The study revealed that lack of satisfaction with human resource plans and policies and poor working conditions are the major reasons for employee attrition.

Kishor and Jha (2012) in their study described the issues and causes related to attrition of employees and challenges in retaining the talented employees. The author reveals that employee attrition is a very serious problem and a misery of every industry.

In a research work published in 2012, Banerjee, P. reviewed some literature on social networking which revealed that it is one of the most pursued source for talent acquisition as it provides ample avenues for linking the bridge between prospective employers and potential employees. Managing talent across various hierarchical levels has become more perplexing as the market for relevantly skilled job applicants has shrunk. Traditional recruitment sources like newspaper advertisements and job portals are costly and challenging as well when it involves niche skills. The reach of the target population becomes quite narrow. Thus social networking comes to the rescue by offering a more exciting and personalized tool. Many research in the Indian context have shown that more than 30 % of talent acquisition activities are performed through social networking sites.

Talent is referred as the natural caliber of a person to do something unique. Organizations are realizing today that spending on human resources is no longer expenditure but it is an investment. They are chasing people more than the bottom line. Research has proved time and gain that any smart organization which wants to climb up the profitability ladder needs to simply take care of their people which in turn creates a rippling effect on the rest of the organizational activities. You take care of the people and they will take care of the profitability. There has to be a constant integrative effort on the part of the organization by aligning personal development to organizational development (Banerjee, P. 2015).

3. Objectives of the Study

The main objective of the study

1. To understand the importance of Talent Management in Competitive Environment.
2. To study and analyze the Challenges faced by Talent Managers in the organisation.

4. Data and Methodology of the Study

The major objective of this study was to understand the importance of Talent Management along with the Challenges faced by the Talent Mangers in the Competitive Environment. The data is purely based on secondary data collected through literature review. For secondary data relevant books, journals, magazines, internet, newspaper have been used. All facts, opinions and problems discussed are assessment of the corresponding authors.

5. Theoretical Framework

Retention of employees is becoming a real challenge in today's competitive business environment as employers begin to realize the value of people that make up the organization. Society has become knowledge based where clearly human capital is considered a key resource and indispensable to the survival of the organization. Talent itself has become more mobile and organizations therefore have to coordinate how they manage and retain it as there is a significant economic impact when an organization losses any of its critical employees especially given the knowledge that is lost with an employee's departure.

5.1 Importance of Talent Management

In today's global business environment, the ever-growing challenge of a rapidly changing workforce, needs a well-planned, rigorous approach to talent management. Fortunately, both HR and business leaders recognize that talent is an important part of business performance. Talent management practices are often considered as a key strategic priority.

The CIPD's RAM approach (CIPD 2013) concluded that the effectiveness of talent management activities could be summarised as needing:

- Relevance: how talent management could meet new opportunities and challenges;
- Alignment: because 'alignment with organizational strategy and its marketing and finance strategies and other dimensions of corporate strategy gives focus, purpose and relevance'
- Measurement: which may be 'a mixture of evaluation methods such as return on investment (ROI) and broader measures of expected change and improvement such as return on expectation, and to link learning outcomes to key performance indicators (KPIs).

Peters and Waterman (1982) have opined that excellent companies focus on building an enabling corporate culture. Organizational culture is defined as shared managerial beliefs and assumptions about employee nature and behavior. Deal and Kennedy (1982) define organizational culture as the way things get done around here. Schein (1990) describes it as a set of shared assumptions, values, beliefs and expectations shared by organization members. Ouchi (1981) puts it as a set of symbols, ceremonies, and myths that communicate the underlying values and beliefs of an organization.

Performance management is the process of creating a work environment to perform to the best of ones abilities. Performance management is a whole-work system that begins when a job is defined as needed. A performance management system includes Selection, Job description, setting performance standards, providing effective orientation, education, and

training with on-going coaching and feedback. By conducting quarterly performance and rewarding people for their contribution to organization also helps in their career development, coupled with exit interviews to understand WHY valued employees leave the organization. Infosys has a comprehensive and integrated role-based performance management system. It is a combination of task and competency evaluation based on predefined 24 parameters for each role. This system integrates with the reward systems as well as with the training systems (Farah Naqvi 2009).

5.2 Challenges faced by Talent Managers

Tackling the current talent management challenges requires organizations to view talent management as a critical activity aligned with the organization's business strategy that aims to attract, develop and retain talented employees. Talent management incorporates several critical system components such as workforce planning, hiring and recruiting, career development, performance management and succession management, to name but a few. True integration of these system components is crucial to getting the most of the talent management process. The conclusion is that organizations need strategically to manage talent flows so that appropriately skilled individuals are available and aligned with the right jobs.

Nienaber (2010) states that talent management is an integrated system of recruitment, development and retention of the required human capital at all organizational levels. If organizations refer to talents, they have in mind mostly young people at the beginning of their professional career. Another commonly mentioned group includes employees who have been working for the organization for some time; their superiors favor them because of their existing performance in order to encourage their further professional growth and promote them to more responsible managerial positions. In conclusion, TM theories have been driven by the assumption that maximizing the talents of employees is a source of sustained competitive advantage (Scullion et al., 2010; Al Ariss et al., 2014).

Retaining the Human Resource in the global era requires special skills and strategies. Hence, retaining employees is the key for any business success. It is a major challenge for organizations to retain skilled employees once they have been hired and trained.

6. Conclusion & Managerial Implications

Talent Management can't be successful without the support of Top Management. It has always been a struggle for HR to convince top management to invest their resources in Talent Management not only in identifying talent practices but also to drive greater consistency, integration & alignment of talent practices with the business strategy. Lastly, it is important for organization to build culture and processes that facilitate Talent Demand to provide a constant source of talent people to create and deliver a pool of talent to align with the objectives of the organization. Talent Management should help identify higher business opportunities, develop markets for their products, advance artifact superior and marketing skills, practice acceptable banking administration and secure better premises. These would integrate their aspirations with specific long term policies about the needs of the company that will serve its geographic reach, its technological capabilities and other strategic consideration for the growth and prosperity of the enterprise. This market fortunate needs to be addressed by action makers so that the economic contribution of this accumulation can be fully utilized.

7. References

1. Abel, M.H. (2008). Competencies management and learning organizational memory. *Journal of Knowledge Management*, 12(6):12-30.
2. Batt R. & Alexander J.S. Colvin. (2011). Employee Attrition. *Academy of Management Journal*, 54 (4).697.
3. Bartlett, A.C., & S. Ghoshal. (2002). Building competitive advantage through people. *MIT Sloan Management Review*, 43(2): 34-41.
4. Banerjee, P. (2012). Social networking sites: A fad or a breakthrough in new age recruitment. *Global Journal of Management and Business Research*, 12(3):71-75.
5. Banerjee, P. (2015). A Novelty in Talent Management: The Case of Facebook. *International research journal of business and management*, 8(9):8.
6. C Phillips (2008). Tapping into the next talent generation. *Strategic HR Review*, 7(3):31-3.
7. Dr A. Kumudha & Saranya P. (2016). A Conceptual study on challenges and Innovations in Talent Acquisition Process. *International Journal of Advance Research in Computer Science and Management Studies*, 4(1):168- 173.
8. Farndale, E., Scullion, H. & Sparrow, p. (2010). The role of the corporate HR function in global talent management. *Journal of World Business*, 45(2):161-168.
9. Geyer, R. (2013) 'The complexity of GP commissioning: Setting GPs "free to make decisions for their patients" or "the bravest thing" that GPs will ever do,' *Clinical Governance: An International Journal*, Vol. 18 Iss: 1, www.emeraldinsight.com/journals.htm?articleid=17076920
10. Kishor, B. & Jha, S. (2012). Attrition issues and Retention Challenges of Employees. *International Journal of Scientific & Engineering Research*, 3(4):1-5.
11. Lockwood, N.R. (2006) Talent Management: Driver for Organizational Success. Research Paper, SHRM www.shrm.org/research/articles/articles/documents/0606rquartpdf
12. Luscombe, J., Lewis, I., & Biggs, H.C. (2013). Essential elements for recruitment and retention: Generation Y. *Education + Training*, 55(3).

13. Macfarlane, F., Duberley, J., Fewtrell, C. & Powell, M. (2012). Talent management for NHS managers: human resources or resourceful humans?. *Public Money & Management*, 32(6):445- 452.
14. McKinsey & Co. (2008). A healthier health care system for the United Kingdom. McKinsey Quarterly, Retrieved from
15. www.mckinsey.it/storage/first/uploadfile/attach/139961/file/hehe08.pdf
16. McKinsey & Company. (2009). Strategic Talent Management. CIPD Conference, Harrogate.
17. M Lauren. (2013). Talent Acquisition 2013: Adapt your strategy or fail. Retrieved from www.aberdeen.com
18. P. Srivastava & J. Bhatnagar. (2007). Talent acquisition due diligence leading to high employee engagement: case of Motorola India MDB, APROS 12 Conference.
19. Ringo, T., Schweyer, A., DeMarco, M., Jones, R. & Lesser, E. (2010). *Integrated talent management – Turning talent management into a competitive advantage – an industry view*. IBM Global Business Services.
20. Scullion, H. Collings, D. G., Caligiuri, P. (2010). Global talent management. *Journal of World Business*, 45(2):105–108.