

A study of talent management: Elevating business performance recent trends, priorities & challenges

Monisha Bhatia, Raji

Research Scholar, School for Management Studies, Babasaheb Bhimrao Ambedkar University (A Central University), Lucknow, India

Abstract

In an era of globalized business world, historical sources of advantage are diminishing in value to the point that they are now becoming meaningless and irrelevant. Researches are of the opinion that sustainable competitive advantage in the future will come through sustainable investment in people to build organizational capabilities and enhancing the organizational efficiency. In such a scenario, Talent management will be the key to sustained business growth and better human asset to the organization. A vast majority of the organizations are thinking and planning to develop and redefine their talent management strategies and processes with a keen eye on addressing the new war for talent and more closely linking Talent management to business results. Professional managers in this globalized era have successfully integrated the fundamentals of Talent management and are now exploring new practices to address a new talent reality awaiting in new era. This paper focuses on emerging trends that have begun to show promise in areas such as recruiting, career development, performance management, retention and others. This research aims to map the emerging talent management practices and its benefits to an individual or an organization.

Keywords: talent management, performance management, career development, retention

Introduction

Talent management is anticipating the requirement of human capital in an organization and planning for meeting that need. The concept is not limited to recruiting the right candidate for the right post at the right time but it extends to exploring the inherent and unusual qualities of ones employees and developing and shaping them to get the required results. Recruiting the best talent from the industry might be a huge concern for the organizations these days but retaining them and most importantly, modifying them in accordance with the culture of the organization and extracting the best out of them is a much bigger issue. Talent Management in organizations is not just limited to attracting the best employees from the industry but it is an on-going process that includes sourcing, hiring, developing, maintaining and promoting them while meeting the organization's needs as well. For example, if an organization desires to work with the best talent currently associated with the competitor, it needs to attract that person and offer him some perk that is far beyond his imagination to join and then stick with their organization. Simply hiring an employee does not solve the purpose but getting job done from him is the main task. Therefore, it can be deduced that talent management is a full-fledged process that not only includes the entry of an employee in an organization but also his exit. The war for talent is on. With the market for qualitative workers becoming increasingly competitive, executives are making their company's human capital a top priority. Talent managers have more information on their fingertips than ever before and have implemented analytical tools to find, hire and retain the most suitable talent. Companies have also implemented performance management techniques to appeal to an increasingly collaborative and tech-savvy crop of fresh talented employees. The main components of a highly effective talent management process include:

a) Better understanding of the organization's present and future business strategies.

- b) Identifying the main gaps between the talent available and the talent required to achieve business success.
- c) A well-functioning talent management plan designed to fill the talent gap.
- d) Connecting individual goals with company goals.
- e) Enhancing performance of employees and preparing them for future levels.

Objectives of the Study

The basic objectives of this study are:

1. To study the effect of talent management on business performance.
2. To study the recent trends of talent management in globalised era.
3. To study the priorities concerned with talent management in an era of globalisation.

Literature Review

The field of talent management increased in popularity after Mc. Kinsey's (1997) research and the 2001 book on The War for Talent. According to Society for Human Resources Management's (2006) ^[17] Talent Management Survey Report, 53% of organizations have specific talent management initiatives in place. Of these companies, 76% consider talent management a top priority. In addition, 85% of HR professionals in these companies work directly with management to implement talent management strategies. Talent management is the additional management processes and opportunities that are made available to people in the organization who are considered to be 'talent' (E. Blass, 2007). Talent management is the systematic attraction, identification, development, engagement/ retention and deployment of those individuals who are of particular value to an organization, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles. (The Chartered Institute of Personnel and Development-

CIPD) [15]. A report by the SHRM (2015) gives a look into current levels of staff engagement. According to the report, only 39 percent of respondents are “very satisfied” with their job, indicating that there is a lot of work ahead for managers in the upcoming year.

Research Methodology

The research methods used during my study is purely based on secondary data including books, magazines, journals, periodicals and websites. No statistical tools have been used for the analysis and interpretation of the data. As the study is based on the secondary sources so it is deductive in nature and character.

Findings and Suggestions

The findings of our study are as under:

i) Effect on Business Performance

With the help of this study it can be determined that talent management has a positive effect on the performance of the organization. The talent managers are not just hiring a talented employee that fits perfectly in the frame of job requirement, they are also implementing various performance enhancing tools to get the job done from that employee, retain him, keep him involved and interested by also guiding him to enhance his skills and fulfill his individual goals. Therefore, due to all this thinking that goes into a simple hiring of an employee there is a huge positive effect on the overall performance of the organization not just in the present but also in the long run.

ii) Trends of Talent Management

In an attempt to safeguard and maintain top talent, organizations require to enforce effective talent management practices. Here are some of the emerging trends prevailing in industries:

Enhanced definition of talent

Many organizations have very specific definitions of talent. Example:

“A high potential has a minimum of four years’ work experience, of which at least two in our organization, with the potential to grow to general management positions, or specific specialized positions in research and development, with at least level A2”.

The notion of more diversified talent groups is slowly entering organizations. The wishes and expectations of talent differ, and also change over time. Some employees are looking for a career in only one organization but some employees are looking for job experience and their plan is to move on afterwards (although they don’t express this when they are interviewed).

Some employees don’t look forward to be employed by a big employer, but they aspire to be involved in challenging projects. Organizations that have a narrow definition of talent might miss opportunities to associate talent to their organization.

Customized programs

The question that emerges is how can one tailor what one wants to offer to the talent with individual needs in the business environment. For some employees an attractive well-planned trainee program might be a wonderful solution while

for others the opportunity to work in a foreign country might be the individual requirement. A highly talented technical scholar might have other aspirations. Less standardization, more customization is the way to go.

Seeking general profiles

Scientific knowledge is slowly capturing the HR realm. Gut feeling is not trusted anymore and organizations are seeking employees that acquire characteristics which have a proven correlation to success in business world. Intelligence is certainly one major element to be looked for and agility for learning is another.

From discreet to transparent

This is usually a delicate issue. Do we spoil employees by letting them know they are considered high potential? Do we disengage the employees who don’t belong to talent pool? The new trend seems to be- being more transparent. It certainly makes it easier to have a broader definition of talent. It also helps to be clearer about expectations and commitment. If you have a pool with talent for future management positions, being part of this pool comes with conditions like high performance and international mobility. Sometimes assumptions are not verified, as the conversations with the talent in the pool are very limited and not lucid enough.

General to specific skill training

High potential and general management programs are very wide and are designed to make trainees learn everything that may or may not be necessary for them and they need to master them in a limited time. The new trend is in the direction to more specific skill training, relative to the real work of people which involves defining very clearly what skills employees need to learn to be successful, and then train, observe, provide feedback and keep repeating this process until the skill becomes an acquired skill.

The rising importance of HR analytics

2015 has been the breakthrough year for HR analytics and more specifically talent analytics. Latest technology and the rising possibilities of huge data analysis are important drivers for more objective based and scientific research and fact finding in the talent arena. Intuition and gut-feeling can now be tested against the facts.

Real time feedback

It seems that performance management is developing. Organizations are seeking possibilities to provide more regular and more specific feedback to employees. Employees who are very good always thrive to improve to become better. Most performance management systems these days provide helpful feedback for employees who are average or below average, but the feedback for top talent is usually not so helpful. If one is very good one needs more detailed feedback than just a subjective rating on a 5-point scale.

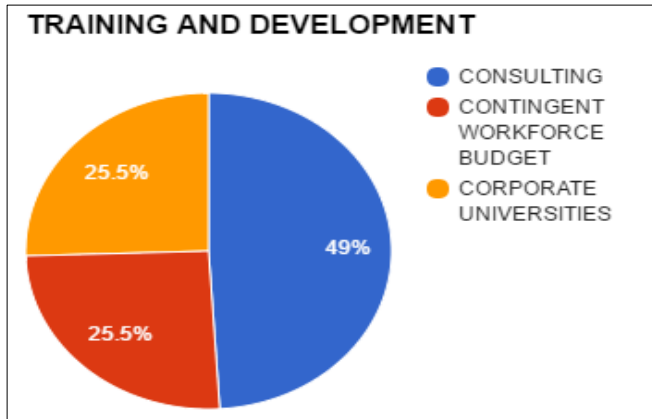
iii) Priorities of Talent Management

The most challenging priorities before the talent managers are as under:

1. Training and Development
2. Culture and Engagement
3. Technology and Analytics

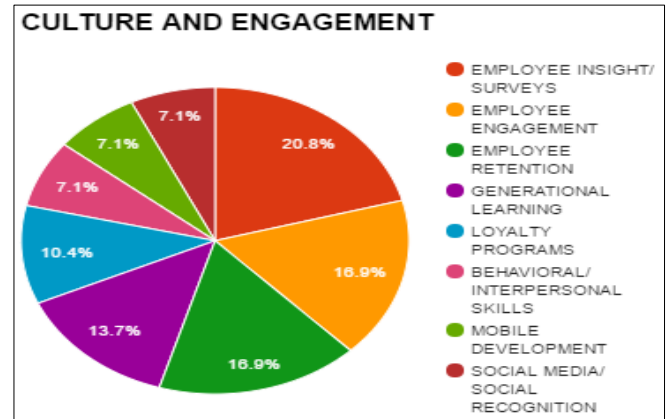
- 4. Change Management and Restructuring
- 5. Performance Management
- 6. Other areas

Below are the survey results of thirty-five senior level talent management executives that was conducted by Talent Management Exchange-



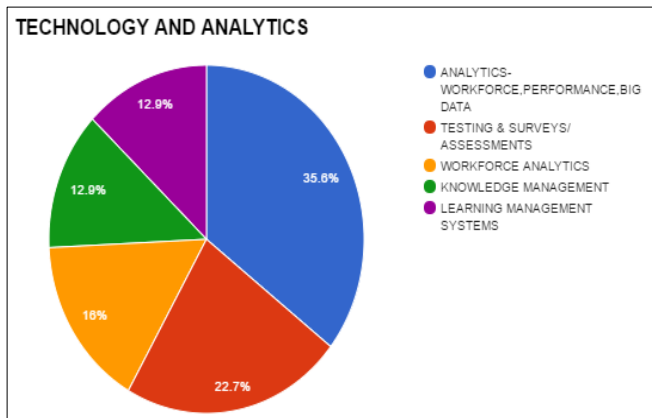
Source: Talent Management Exchange

Fig 1



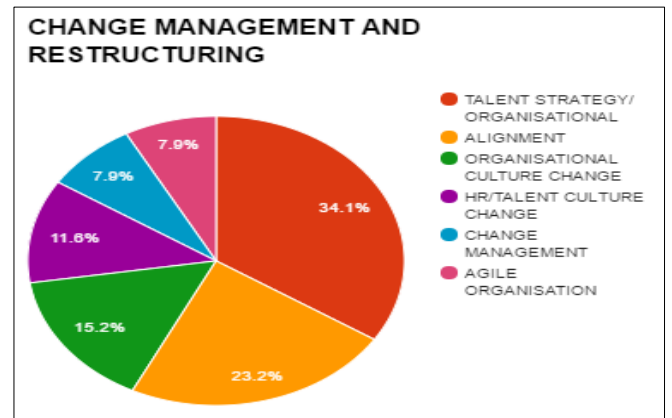
Source: Talent Management Exchange

Fig 2



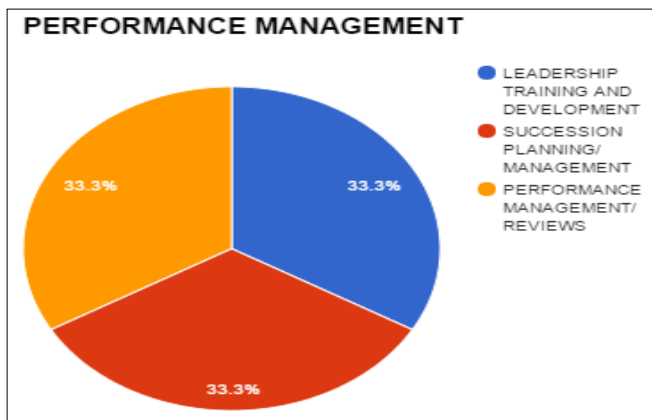
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Fig 3



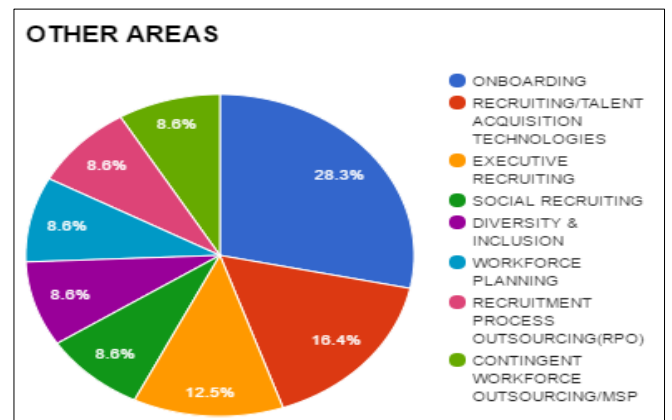
Source: Talent Management Exchange

Fig 4



Source: Talent Management Exchange

Fig 5



Source: Talent Management Exchange

Fig 6

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