



## Talent Management Practices In INDIA

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### ABSTRACT

*The aim of this article is to discover how talent management is currently being used by a diverse range of organizations and to discover the practices of an effective talent management program. In this competitive environment it is very important for the companies to manage their talent well, and then only they will be at a competitive edge in comparison to their rivalries. Talent management provides an overview to all management areas and principles. It has become a top priority for the organizations. The objective of the article is firstly, to find out the various challenges and trends of talent management & secondly, to identify the different ways of attracting, developing and retaining talent. The companies covered are Hewlett Packard, Infosys and Wipro.*

**Key word : Human Resource, Talent management, Talent paradox**

### Introduction

In the globalized business environment, historical sources of advantage have diminished in value to the point that they are now fast becoming irrelevant. Research indicates that sustainable competent advantage in the future will come through investing in people to build organizational capabilities. The challenges thrown up by this fast changing business environment have also opened a window to a plethora of opportunities like dramatic shift in costs through global talent sourcing and de-risking through global task distribution, achieving global operational excellence through a judicious mix of technology and service delivery models. Solving the talent paradox is not an impossible task. But it requires an integrated strategic approach to talent management, from planning and sourcing to training, development and retention. Insightful, integrated talent management practices can not only help an organization overcome a talent shortage, but also deliver financial results that will win the approval of all stakeholders.

Talent management refers to the process of developing and integrating workers, developing and retaining current workers, and attracting highly skilled workers for a company. The term was coined by David Watkins of Soft cape published in an article in 1998. The process of attracting and retaining profitable employees, as it is increasingly more competitive between firms and of strategic importance, has come to be known as "the war of talent".

### Need Of The Study

There is a huge demand of engineering graduates in India, but supply is always less than the demand. This problem further aggravates if the quality of engineer graduates produced are not at par with their international counterparts. India has a huge young population which should be harnessed properly by channelising their talent in the right direction. The challenging task is to retain and develop the talent within the company together with attracting the best of

the talent. The present study analyses the existing Indian scenario in terms of developing, retaining and attracting the talent.

### Methodology

It is a descriptive type of research. Survey method has been adopted to carry on the research. Multiple questions were administered to the software engineers. The sampling technique adopted is that of convenience sampling. The samples were chosen based on the data that was readily available, for the purpose of the research and the sampling units were chosen primarily on the basis of convenience of the researcher. Data was collected both from primary and secondary resources. The primary data was collected using structured questionnaire and secondary data was collected from different journals, textbooks, websites etc.

The data collected through questionnaires were in the crude form. In order to convert it into readable form, the data collected was presented in the form of tables. The information in the tables is converted into the percentage for the ease of readers. Data was examined for almost one hundred and fifty respondents from primarily three companies i.e. Hewlett Packard, Infosys and Wipro. Fifty respondents were selected from each of the above mentioned companies.

### Findings

Table 1: Employee Experience In A Company

Less than a year	2%
1-2 years	18%
2-5 years	60%
5-10 years	10%
10 years and above	10%

Source: Field Survey

### Inference

Most of the employees have the experience of two to five years in their respective companies.

Table 2: An Organization Identify Talent

By competencies	35%
By results	58%
By potential	7%

Source: Field Survey

**Inference**

As the table above shows majority of the organizations identify talent mostly by results, followed by competencies and lastly by potential.

Table 3: Areas Which Organization Needs To Improve In Terms Of Talent Management Initiatives

Aligning the employees with the vision and mission of the organization	60%
Assessing the candidate's skill earlier in the hiring process	50%
Creating the culture that makes the employees want to stay with the organization	56%
Creating a culture that makes the individuals want to join the organization	57%
Creating the culture that values employees work	52%
Creating an environment where employees are excited to come to work each day	54%
Creating an environment where employees ideas are listened and valued	55%
Creating policies that encourage growth and development opportunities	62%
Identifying the gaps in the current employees and candidate's competency level	59%

Source: Field Survey

**Inference**

As the table shows most important area where organization needs to improve is creating policies that encourage growth and development opportunities followed by aligning the employees with the vision and mission of the organization and identifying the gaps in the current employees and candidate's competency level.

Figure 1: Improvement Areas for TM



Table 4: In An Organization People Who Are Primarily Responsible For Following Activities

Aspects	Managers	HR Staff	Outside consultants
Recruiting individuals	10%	80%	10%
Further developing employees	15%	70%	15%
Retaining employees	60%	40%	

Source: Field Survey

**Inference**

For recruiting individuals and for further developing employees mostly HR staff is responsible, while for retaining employees mostly managers are responsible.

Table 5: An Organization's Talent Management Initiatives Are

Acquiring talent	21%
Leveraging the existing ones	32%
Retaining the current potential	47%

Source: Field Survey

**Inference**

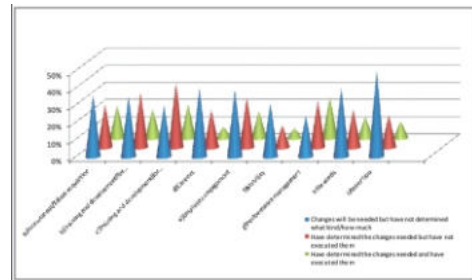
Most of the organization's talent management initiative is focused on retaining the current potential followed by leveraging the existing ones and acquiring talent.

Table 6: Planned Changes For The Talent Management Programs

Aspects	No changes will be needed in this program	Changes will be needed but have not determined what kind/how much	Have determined the changes needed but have not executed them	Have determined the changes needed and have executed them
Recruitment/Talent acquisition	20%	36%	25%	19%
Training and development(for workforce)	16%	35%	32%	17%
Training and development(for leadership)	12%	30%	38%	20%
Careers	31%	40%	22%	7%
Employee engagement	16%	39%	29%	16%
Mobility	50%	31%	13%	6%
Performance management	25%	24%	27%	24%
Rewards	23%	40%	22%	13%
Retention	22%	50%	19%	10%

Source: Field Survey

Figure 2: Planned Changes to Talent Management Programs



**Inference**

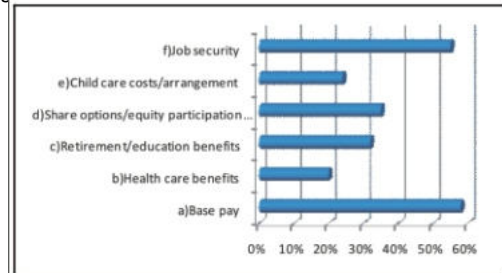
As it is shown in the table maximum percentage of the employees need change in retention, rewards and careers program but have not determined what kind/ how much.

Table 7 Elements Of Compensation In Terms Of Attracting And Retaining Top Performers

Aspects	Percentage
Base pay	58%
Health care benefits	20%
Retirement/education benefits	32%
Share options/equity participation	35%
Child care costs/arrangement	24%
Job security	55%

Source: Field Survey

Figure 3: Effective Compensation Elements



**Inference**

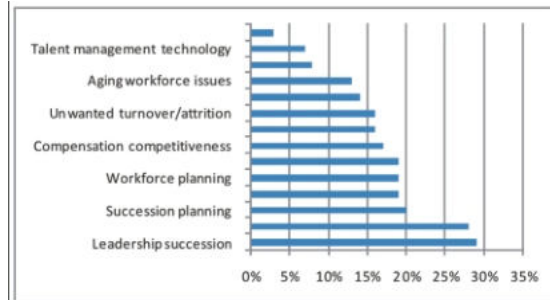
The employees have considered base pay followed by job security and share option to be the most effective element of compensation in terms of attracting and retaining top performers.

Table 8 Top Talent Management Priorities Of An Organization Over Next Three To Five Years

Talent management priorities	Percentage
Leadership succession	29%
Training and development(leadership)	28%
Key talent/high potential	19%
Workforce planning	19%
Employee engagement	19%
Compensation competitiveness	17%
Talent acquisition/external labor supply	16%
Unwanted turnover/attrition	16%
Performance management	14%
Aging workforce issues	13%
Training and development(workforce)	8%
Talent management technology	7%
Careers	3%

Source: Field Survey

Figure 4: Top Talent Management priorities over next 3 to 5 years



#### Inference

The maximum response for talent management priorities is for leadership succession followed by training and development (leadership) and succession planning for next three to five years.

#### Limitations

- The study assumes that respondents have elicited an unbiased response.
- The human behavior cannot be objectively measured, unlike in scientific experiments where there are predetermined yardsticks. Therefore many aspects were measured on the basis of multiple choice questions.

#### Recommendations

- Organizations must try to align the employees with the companies' objectives and policies. This means the emphasis should be on employee involvement, where the employees' ideas are adopted and put to use.

- The organizations should provide the opportunity for advancement. They should create a good career path for their strong performers.
- The organization should provide the opportunity to its employees so that they are aware of the new technologies. Organization should conduct the training programs or send their employees abroad for training.
- There should be leadership programs so that candidates' are provided the opportunity to enhance their leadership and supervision skills.
- The organizations recruiting systems and processes should be closely scrutinized and if there are any loopholes it should be eradicated. These systems not only support the retention practices, but they also increase the likelihood that employees are committed on a long term basis and performing at their best.
- Organization data collection systems must gather sufficient information to pinpoint where the attrition problem is most severe uncover the specific causes for the attrition.

#### Conclusion

Since people are the biggest asset in any enterprise, it is necessary not only to invest in them but also to sustain them. A well structured and rationalized Talent management system can improve employee relation with management and enhance organizational effectiveness. As organizations continue to pursue high performance and improved results through talent management practices, they are taking a holistic approach to talent management from attracting and selecting wisely, to retaining and developing leaders, to placing the employees in the position of greatest impact. The motto is clear; for organization to succeed in today's rapidly changing and increasingly competitive market place, intense focus must be applied to align the human capital with corporate strategy and objectives.

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