



CONCEPTUAL ANALYSIS OF TALENT MANAGEMENT PRACTICES

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ABSTRACT

Talent management seeks to attract, identify, develop, engage, retain and deploy individuals who are considered particularly valuable to an organisation. By managing talent strategically, organisations can build a high performance workplace, encourage a learning organisation, add value to their branding agenda, and contribute to diversity management. For these reasons, HR professionals widely consider talent management to be among their key priorities. The concept is not restricted to recruiting the right candidate at the right time but it extends to exploring the hidden and unusual qualities of your employees and developing and nurturing them to get the desired results. Talent Management in organizations is not just limited to attracting the best people from the industry but it is a continuous process that involves sourcing, hiring, developing, retaining and promoting. While most companies already use a human resource information system (HRIS) as a repository for employee records and basic information, many organizations are going a level deeper by adding talent management systems to their HR technology portfolios. Experts say talent management systems can help companies attract, retain and develop employees to the mutual benefit of both parties. Talent management systems are generally considered to be comprised of four modules, also called "pillars:" recruitment, performance management, corporate learning and compensation management. In addition if employees are positive about the talent management practices of the organization, they are more likely to have confidence in the future of their organization. In adverse economic conditions, many companies feel the need to cut expenses. This should be the ideal environment to execute a talent management system as a means of optimizing the performance of each employee and the organization.

KEYWORDS : Talent management, retaining and employees performance**1. INTRODUCTION**

Talent Management, as the name itself suggests is managing the ability, competency and power of employees within an organization. The concept is not restricted to recruiting the right candidate at the right time but it extends to exploring the hidden and unusual qualities of your employees and developing and nurturing them to get the desired results. Hiring the best talent from the industry may be a big concern for the organizations today but retaining them and most importantly, transitioning them according to the culture of the organization and getting the best out of them is a much bigger concern. Talent Management in organizations is not just 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.

To achieve success in business, the most important thing is to recognize the talent that can accompany you in achieving your goal. Attracting them to work for you and strategically fitting them at a right place in your organization is the next step. It is to be remembered that placing a candidate at a wrong place can multiply your problems regardless of the qualifications, skills, abilities and competency of that person. How brilliant he or she may be, but placing them at a wrong place defeats your sole purpose. The process of talent management is incomplete if you're unable to fit the best talent of the industry at the place where he or she should be.

2. BENEFITS OF TALENT MANAGEMENT

- **Right Person in the right Job:** Through a proper ascertainment of people skills and strengths, people decisions gain a strategic agenda. The skill or competency mapping allows you to take stock of skill inventories lying with the organization. This is especially important both from the perspective of the organization as well as the employee because the right person is deployed in the right position and employee productivity are increased.
- **Retaining the top talent:** Retaining top talent is important to leadership and growth in the marketplace. Organisations that fail to retain their top talent are at the risk of losing out to competitors. Employee growth in a career has to be taken care of, while succession planning is being performed those who are on the radar need to be kept in loop so that they know their performance is being rewarded.
- **Better Hiring:** No wonder then talent management programs and trainings, hiring assessments have become an integral aspect of HR processes nowadays.
- **Understanding Employees Better:** Employee assessments give

deep insights to the management about their employees. Their development needs, career aspirations, strengths and weaknesses, abilities, likes and dislikes..

- **Better professional development decisions:** When an organization gets to know who its high potential is, it becomes easier to invest in their professional development. Since development calls for investment decisions towards learning, training and development of the individual either for growth, succession planning, performance management etc.

3. PRINCIPLES OF TALENT MANAGEMENT**a) Avoid mismatch costs**

In planning for future manpower requirements, most of the HR professionals prepare a deep bench of candidates or manpower inventory. Many of the people who remain in this bracket start searching for other options and move when they are not raised to a certain position and profile. In such a scenario it is better to keep the bench strength low and hire from outside from time to time to fill gaps. This in no way means only to hire from outside, which leads to a skill deficit and affects the organizational culture.

b) Reduce the Risk of Being Wrong

In manpower anticipations for future an organization can ill afford to be wrong. It's hard to forecast talent demands for future business needs because of the uncertainty involved. It is therefore very important to tune the career plans with the business plans. A 5 year career plan looks ridiculous along with a 2 year business plan.

Further, long term development and succession plans may end up as a futile exercise if the organization lacks a firm retention strategy.

c) Recoup Talent Investments

Developing talent internally pays in the longer run. The best way to recover investments made in talent management is to reduce upfront costs by finding alternative and cheaper talent delivery options. Organizations also require a rethink on their talent retention strategy to improve employee retention.

Another way that has emerged of late in many organizations is sharing development costs with the employees. Many of TATA companies for example sponsor their employees' children education. Similarly lots of organizations use 'promote then develop' programs for their employees where the cost of training and development is shared between the two. One important way to recoup talent investments is spotting the talent early, this reduces the risk. More importantly this

identified lot of people needs to be given opportunities before they get it elsewhere.

d) Balancing Employee Interests

How much authority should the employees' have over their own development? There are different models that have been adopted by various corporations globally. There is 'the chess master model', but the flipside in this is that talented employees search for options. Organizations can also make use of the internal mobility programs which are a regular feature of almost all the top organizations.

4. Financial Benefits of Talent Management

1. Most of the organizations are short sighted, when it comes to people management.
2. People management may not go well with pure capitalists.
3. Organizations and industries are growing at a fast pace, faster than the rate at which talent is produced.
4. There is dearth of talented and skilled professionals both at the top as well as bottom.
5. Due to cut throat competition and a consequent lack of talented professionals the attrition rates have increased across all industries, especially so in services industry.
6. Poaching has become common place; employee retention has become the Achilles heel of corporations.

All the above mentioned statements clearly indicate that the talent is unable to keep pace with the growing industry and also that the industry has failed to breed the pool of talented individuals as per its requirements. A fast industry growth meant that there would be a need for talented professionals for upcoming avenues and unfortunately corporate seemed to miss out on this.

5. Opportunities and Challenges in Talent Management Practices

The scenario is worse even in developing economies of south East Asia. Countries like U.S and many European countries have their own set of problems. The problem is of aging populations resulting in talent gaps at the top. The developing countries of south East Asia are a young population but quality of education system as a whole breeds a lot of talent problems. They possess plenty of laborers - skilled and unskilled and a huge man force of educated unemployable professionals. These are the opportunities and challenges that the talent management in organizations has to face today - dealing with demographic talent problems.

Now if we discuss the problem in the global context, it's the demographics that needs to be taken care of primarily and when we discuss the same in a local context the problem becomes a bit simpler and easier to tackle. Nonetheless global or local at the grass roots level talent management has to address similar concerns more or less. **It faces the following opportunities and challenges :**

- a) Recruiting talent
- b) Training and Developing talent
- c) Retaining talent
- d) Developing Leadership talent
- e) Creating talented ethical culture

a) Recruiting Talent

The recent economic downturn saw job cuts globally. Those who were most important to organizations in their understanding were retained, other were sacked. Similarly huge shuffles happened at the top leadership positions.

b) Training and Developing Talent

The downturn also opened the eyes of organizations to newer models of employment - part time or temporary workers. This is a new challenge to talent management, training and developing people who work on a contractual or project basis.

c) Retaining Talent

While organizations focus on reducing employee overheads and sacking those who are unessential in the shorter run, it also spreads a wave of de motivation among those who are retained. An uncertainty about the firing axe looms in their mind. It is essential to maintain a psychological contract with employees those who have been fired as well as those who have been retained. Investing on people development in crisis is the best thing an organization can do to retain its top talent.

d) Developing Leadership Talent

Leadership in action means an ability to take out of crisis situation, extract certainty out of uncertainty, set goals and driving change to ensure that the momentum is not lost. Identifying people from within the organization who should be invested upon is a critical talent management challenge.

e) Creating Talented Ethical Culture

Setting standards for ethical behavior, increasing transparency, reducing complexities and developing a culture of reward and appreciation are still more challenges and opportunities for talent management.

6. Current Trends in Talent Management

- **Talent War:** Finding and retaining the best talent is the most difficult aspect of HR management. HR survey consultancies in their view that organizations facing difficult to retain talent employees. Further research has also shown that there is clear link between talent issues and overall productivity.
- **Technology and Talent Management:** Technology is increasingly getting introduced into people development. Online employee portals have become common place in organizations to offer easy access to employees to various benefits and schemes. In addition employees can also manage their careers through these portals and it also helps organizations understand their employees better.
- **Promoting Talent Internally:** An individual is hired, the next step is enabling learning and development of the same so that he/she stays with the organization. This is employee retention. It is also of interest to organizations to know their skills inventories and then develop the right individual for succession planning internally.
- **Talent Management to rescue HR:** HR has been compelled to focus on qualitative and quantitative aspects like the head count etc. Through talent management more effort is now being laid on designing and maintaining employee scorecards and employee surveys for ensuring that talent is nurtured and grown perpetually.
- **Increase in Employer of Choice Initiatives:** An organization's perceived value as an employer as helps improve its brand value in the eyes of its consumer. Most importantly it helps it attract the right talent.

7. CONCLUSION

Nevertheless organizations require an integrated approach to talent management. There is a need to strategize in HR functions to enable and support the business functions. They need to strategize on the approximate manpower requirements, the relevant skills and educational qualification, compensation and the like. This has to happen well in advance. Recruitment itself means a host of other activities like training and development, compensation, induction and orientation etc. As organizations realize the skills and abilities of individuals, they can then be more focused on devising means and strategies to attract, develop and retain these people.

8. Reference

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