



'A META ANALYSIS ON THE NEED FOR TALENT MANAGEMENT IN THE CURRENT SCENARIO.'

Management

Mrs.R.V.Dhanalakshmi

Asst. Professor, MBA, MNM Jain Engineering College, Thoraipakkam, Chennai.

Dr.K.Balanaga Gurunathan

Professor, Amity Business School, Amity University, Haryana.

ABSTRACT

Competition and the lack of availability of highly talented and skilled employees make finding and retaining talented employees major priorities for organizations (Fegley, 2006). Talent has become the key differentiator for human capital management and for leveraging competitive advantage. Talent is a scarce resource which keeps one apart and help the management to identify the key employees of the organization. Amongst all the available resources, human resource is of prime importance and plays a vital role in the organization success. "Talent Management implies recognizing person's inherent skills, traits, and personality offering him a matching job." While there are no magic formulae to manage talent, the trick is to locate it and correct ill talent for the benefit of both the organization and the employees. Talent management systems and processes need to be integrated into the total HRM system of the organization. Traditional roles of HRM such as recruitment, training, performance management and compensation need to be aligned to support the achievement of talent management goals such as talent turnover, employee engagement, succession pipeline ratios, etc. The present paper aims at bringing out the importance of Talent Management. It also highlights the fact that Organizations need to identify the areas of Talent Management for better Organizational results.

KEYWORDS

Performance Appraisal, Employee Engagement, IS Employees

Introduction

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, and thirdly c) sourcing, developing and rewarding employee talent. Grounded within strategic HRM (Gratton, 2000; Becker et al., 2001), the management of talent seems to be one of the key functions that HRM is playing strategically in organizations (Bhatnagar, 2004) Recent research indicates that the war for talent is intense due to labour market shortages (Branham, 2005; Brewster et al., 2005; Lawler, 2005; Boudreau and Ramstad, 2005; Cappelli, 2000; Nybo, 2004; Sparrow, 2004). There has been evidence of a general need among the managerial cadre to build capabilities, resources, competencies, strategies, and macro as well as micro HRM activities (Budhwaret al., 2006; Bhatnagar and Sharma, 2005).

Talent Management from HR Point of View



Source: The HR Edge, 2010

India's competitive advantage as compared to other countries has made it a target destination of multinationals for their back-end operations. To begin with, the abundant skilled manpower gives the country an edge in BPO. According to the NASSCOM strategic review (National Association of Software and Services Companies, 2006), for India to fully capitalise on the opportunity and sustain a disproportionate lead in the global IT-ITES space, it needs to focus on enhancing the talent pool advantage – focus on skill development to better leverage the world's largest working population, among others

Review of Literature

Talent in general parlance refers to a natural recurring pattern of thought, feeling or behavior that can be productively applied. Talent enlarged with skill and knowledge leads to individual strengths (Buckingham & Clifton, Now, Discover your strengths, 2001). It is inclusive of people with high potential, transformation and change seekers, individuals who are usually sought after in the market and those who are able to add direct value to business. Murthy (2010) defined talent management as "managing the entire employee lifecycle from attracting and hiring to promoting and finding a successor upon retirement. Rothwell (1994) describes talent management as "a deliberate and systematic effort by an organization to ensure leadership continuity in key positions and encourage individual advancement." Corporates of the present era have realized that retaining is equally important, rather than trying to acquire a new talent - due to cost associated with retaining employees versus developing new ones. The need of the hour therefore is to successfully attract, assess, train and retain talented employees and the "talent management" is the key to this. Berger & Berger (2004) have outlined three main goals of Talent Management Strategy which are as follows:

- To identify, select and cultivate employees that demonstrate superior performance and inspire other to perform.
- To find, develop and position highly qualified backups i.e succession planning.
- To disseminate resources like mentoring, training, compensations etc. to employees based on their competencies.

Scope of Talent Management

The scope of talent management extends to a wide range of activities, capable of delivering a synergistic effect to ensure a maxi-maxi scenario (Thomas & Raghavan, 2000). Those activities can be summarized as under:

- Identifying the Talent which is required
- Right Selection of the Talent
- Implementing competitive compensation plans
- Training and continual development of Competencies
- Practicing state-of-the-art performance appraisal systems
- Aligning the acquired Talent
- Developing and nurturing the Talent, and
- Retaining the Talent

Importance of Talent Management

Apart from the benefits that are implicit in the preceding discussion, talent management is important for at least two primary reasons. The first is that effective talent management ensures that organizations can successfully acquire and retain essential talent. The second has to do

with the extent to which these employees are engaged. According to Morton (2005, p. 11) "Talent management is integral to engaging employees in the organization". The ability to effectively address both of these issues has become a primary determinant of organizational success and in some cases, even survival.



Employee Engagement and Talent Management

In addition to contributing to the effective recruitment and retention of employees, an organization's talent management strategy should also contribute to employee engagement. Like talent management, "employee engagement" is an oft cited term that lacks a precise definition. According to Gibbons (2006) "employee engagement is a heightened emotional and intellectual connection that an employee has for his/her job, organization, manager, or co-workers that in turn influences him/her to apply additional discretionary effort to his/her work" (p. 5). Perhaps a more accessible definition comes from Hewitt and Associates (2004). According to their research, engagement is: A measure of the energy and passion that employees have for their organizations. Engaged employees are individuals who take action to improve business results for their organizations. In other words, the more highly engaged the employee, the more likely he or she will be to say positive things about the organization, thereby contributing to the development of a positive employer brand; want to remain within the organization, thereby minimizing turnover; and regularly exert a superior level of effort, thereby potentially influencing such variables as service quality, customer satisfaction, productivity, sales, profitability, etc. In reviewing the results of 12 major research studies Gibbons (2006, p. 6) identified the top drivers of employee engagement. These include trust and integrity, nature of the job, the connection between individual and company performance, career growth opportunities, pride about the company, co-workers/team members, employee development personal relationship with one's manager.

Motivating Factors for IS Employees

1) Job satisfaction

It has traditionally been defined as a positive emotional state reflecting affective (fondness): attitude or response towards the job situation. It is an important motivator for employee performance; it is a causal antecedent to organizational commitment, and negatively related to turnover and absenteeism. Previous research has found correlation in the range of 0.50 between job satisfaction and job involvement, job satisfaction and organizational commitment, or job involvement and organization commitment. Poulain found that the organizational work environment had a significant impact on social worker's overall job satisfaction. In addition, change in professional development opportunities was positively associated with increased job satisfaction. Within the IS arena, satisfaction has been found to be related to turnover and performance. Blankertz and Robinson demonstrated that employees with high job satisfaction are highly motivated and have little desire to leave their jobs. Thus, job satisfaction is a key factor for employee motivation.

2) Perception of management on Career development.

Facteau et al found that support of subordinate, superior and top

management is predictive of employee motivation. Babin and Boles found that perceptions of supervisory support could increase satisfaction and motivation, reducing stress and improving job performance. Thus, management support has a significant impact on employee motivation. Crepeau et al. studied the management issues among IS professionals via the Career Orientations Inventory. They noted that, because of changes in IS growth and promotions, there will be a greater focus on effective management of IS professionals. They stated that some IS career management strategies have been associated with problems, and have led to higher levels of employee burnout and turnover. Further they indicated that those vested in managing IS personnel recognize that more attention toward career development is needed. They concluded that management actions and style can play a key aspect relative to the motivation and retention of IS employees. Griesser [26] investigated the motivational issues among IS professionals. He noted that IS employees are more resistant to changes than other professionals, and development professionals are concerned about their career development prospect. IS developers are faced with the constant change of technology. Some may fear obsolescence of their skills; others may be frustrated with constantly needing to learn new technology. To help employees overcome this fear, managers should introduce programs offering IS employees chances for career development. Employees' perception of management policies on career development has an important impact on their motivation.

Performance Appraisals and Talent Management

The current performance-appraisal process requires managers to recall an employee's performance history anywhere from three months to a year ago, aided typically by peer-review input, self-appraisals and supporting documentation like the job description and work objectives. However, informal surveys show that most performance assessments done today are largely dependent on a manager's memory. The inherent flaw in this is that management cannot accurately remember all the past facts. In today's performance-appraisal process, unreasonable dependency on memory undercuts the integrity of the data and consequently affects the integrity of the entire talent-management process. The solution is continuously to document an employee's actual performance results and any other job-related actions or behaviours that would affect the achievement of goals set for the employee or for those around him or her, all the while providing employees with the specific feedback they need. Using a real-time talent-management system (RTTMS), made possible by new mobile technologies, managers can now easily and continuously document an employee's performance, and provide coaching, recognition, awards and more. The concept behind an RTTMS is simple: a smart phone, which is connected to a SaaS-based talent-management application, helps managers to collect actual performance results, information on job-related actions or behaviours, and employee feedback in real time, allowing for improved management and business decision making. Efficiency is increased by using voice-to-text transcription and AutoFill technologies for the application interface and data entry.

Talent retention and Talent Management

Talent management has not been given its fair-share of attention by Indian organizations, as its importance has not been adequately realized and, if realized, it is often felt that there are other management strategies that may deliver better results. Organizations are in the process of changing over to new performance-appraisal practices for better performance by linking the performance with rewards and motivating high performers. These are becoming a priority in organizations as an important contributor to effective talent management. (Bhandarker 2003). According to a report published in year 2000, for retention of employees organization should follow these strategies:

- Managing people and not retention.
- Having a culture of caring, balanced with a tradition of excellence.
- Never soliciting employee feedback and then ignoring it.
- Keeping an eye on the high performers and rewarding outstanding performance.
- Viewing people management as a strategic management issue.
- Being relentless in pursuit of continuous improvement.

Conclusion

As organizations continue to pursue high performance and improved results through TM practices, they are taking a holistic approach to talent management-from attracting and selecting wisely, to retaining

and developing leaders, to placing employees in positions of greatest impact. Meeting this organizational supply and demand requires the right "Talent DNA" and supporting technology solutions. By implementing an effective talent management strategy, including integrated data, processes, and analytics, organizations can help ensure that the right people are in the right place at the right time, as well as organizational readiness for the future.

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