CHAPTER- 2
REVIEW OF LITERATURE

2.1 Review of Literature

Hackman et al’s (1975) put forward a primordial belief that if the employees are given the kind of work that is more engaging and more challenging at each step, then their capability to be more productive shall rise tremendously over time thereby contributing to organization’s objectives as well. The best use of talent is when the talent is increased gradually in an individual by giving the employee the chance to expand his knowledge and skills at workplace at the same time emerging as an example for all others around him. Thus the best definition of Talent is said to be derived from Hackman’s study since the entire focus lay on the capability of an employee and the amount of substantial work done by the employee is highlighted in his study. Therefore from this it could also be assessed that the ‘type of jobs’ influences employees caliber or skills, more complex the jobs, more engaging the work will become and higher engagement level will propel more satisfaction and will further motivate the employee’s to perform better for the future roles assigned to them. However it is assumed in his study that the ‘talent pool’ of the organization must already consist of high performers or high achievers who are at a certain level of performance, and if such employees are entrusted with little or menial roles, then that will be magnified resulting in reduction in levels of performance as there be no engagement or challenge left in the job at hand. It could be deduced from this study that positions with small titles or roles must be eliminated from the organization as these kinds of roles only decrease the capability of an employee making the talent pool quite acute.

Michaels, et al (2001) has put forward an interesting definition of Talent. It proposes that Talent should be considered more ‘as a person who possesses it’ rather than ‘skills and capabilities’ that a person excels in. Taking into account the managerial perspective, Michaels defined talent more formally and said that Talent is a code followed effectively by managers and leaders at all the levels of the company, which helps in achieving objectives of the organization and also increases the performance of the employees.
Talent is presented as a combination of several qualities, like, leadership quality, maturity to handle emotions, strategic bent of mind, ability to communicate, the quality of being able to attract and inspire others, to guide talented people, entrepreneurial qualities, result producing qualities and various functional skills. Thereby it is conceived here that the definition of talent has moved a step forward in this study as it is seen as a combination of various skills, or a code of conduct or as motivational quality as possessed by leaders and managers throughout all the level of the organization to inspire and attract all others around them and produce the desired results. It lays more stress in several qualities than stressing only on one particular quality. Talent is seen as a person possessing skills and leadership qualities but on the same side, it also suggests that creativity and independence is exerted by these individuals when it comes to making decisions that affect the whole organization. In short, it promotes ‘out of the box’ thinking. Thus study proposes that workers should do and be allowed to more than their roles, thereby giving space to individual expression and creativity.

Roer Martin and Mihnea Moldoveanu (2003) gave a new twist to the definition of Talent by deriving an equation for Talent and what it really means. They stated that ‘Talent equals to the capacity to learn, ability to think, the logic to be able to relate, capacity to behave according to the situation and act according to the values of the organization.’ Thus Roer Martin stressed on the fundamental fact that every person the organization should be given ample opportunities to learn something creative and new at their workplace so that they can add any particular skill which will ultimately account for increasing their competitive edge within the organization. The type of work is also specified in thus study and it is suggested that type of work that each employee should be given, must be able to add value to the organization’s objectives as well and also add on to their personal development. An ideal ‘value system’ is also proposed in this research, by stating that the company’s mission and vision must be properly formulated so that the planning of the roles to be assigned could be done systematically and an entire set of value system to be followed could be created for all to follow, thereby eliminating all sorts of confusion or doubts. This study has added on to definition of talent in a way that it focuses on individual’s capability to learn and grow by using his skills and capabilities.
Heinen & O’Neill, (2004) suggested that ‘integrated planning’ should be done in organization because managing talent is not a small activity that could be covered or finished within an year or a quarter and it should not be treated solely as a responsibility of the Human Resources Department as many other factors are also relevant and can’t be overlooked when it comes to managing talent in the organization. A continuous focus on creating a channel of planning process and integration across all levels of the organization is also highlighted in this study. Thus study hints at keeping an eye on the integration of ‘business goals’ with the ‘strategy’ of the organization as without combining the both, nothing productive could ever be achieved for the organization. This integration in itself will take a long haul as Talent Management is not a small process that can completed in a small amount of time. Some other factors are also there that shouldn’t be overlooked ad rather more consciously be included in the integration process, such as, learning and development, which can develop the knowledge pool of the organization, including both the new as well as old employees. A legacy of knowledge could thus be created through this learning and development process and it’s a long process. But the investment of money and time is worth it because it helps in the development of the skills of the employee’s and charts out their career path, which is one of the most quintessential part of Talent Management.

Lewis and Heckman, (2006) proposed that there are generally three main streams of thoughts regarding the concept of Talent Management. The first stream of thought one simply comprises of those who replace the term Human Resource Management and substitute it by the label of Talent Management. The second stream of thought includes those who focus on ‘talent pools’ within an organization and on their development, which reflects the ‘staffing/employment needs’ of the company aiming at managing the progress of the individuals in their positions. The third stream of thought includes those who focus on ‘retention’. Hence the focus is laid more on the major points of Talent Management and it becomes relevant to note here that Talent Management is not looked upon as merely a term or a label that is used to substitute the term human resource management or that the term Talent Management is simply used to fill in the vacant position in the company. With the change of time, work culture and technological advancement, people
are bow treated more as resources than as mere commodities. So the entire thought process revolving behind human resource management changed and flipped as people were started to be looked upon as assets than merely as workers fulfilling organization’s objectives. The individual element is added and brought to limelight in this study. At last it was also proposed by Lewis and Heckman that dynamic roles must be created for all the employees in the organization.

Sparrow, (2007) gave us the term ‘pivotal talent pools’ which means that important positions in the organization must be highlighted and key roles must be looked upon in the organization as such roles or positions often influence the performance levels of all others in the organization. Thus Sparrow gave away the most important concept of ‘recruiting ahead of the curve’ rather than following the old system of hiring only when the vacant positions need to be filled up. Recruiting ahead of the curve also suggests the fact that an organization must be prepared well in advance by assessing its talent needs so that when the need arises there is no dearth of talent in the organization. This concept also brings to light the fact that now human resource management has made the significant move from being only concerned with filling the empty positions at work to showing care about its employees. The proper ‘development’ of ‘talent pool’ is suggested in this study as the more an organization develops its internal talent pool, the more encouraging it will be for the development of the whole organization as one entity. Thus an important observation is extracted from this study which states that ‘only those organization which are following strategic Talent Management approach in their organization will be able to focus on the concept of recruiting ahead of the curve.’ Only these kinds of organizations can analyze the future business needs and merge them with the goals, also in the times of emergencies. These organizations will end up benefitting from their own talent pool, because it will be a highly developed talent pool after all or they often hire proactively to add on to fish talent in the organization.

Stahl et al’s, (2007) has conducted a global Talent Management research and put forward an interesting observation or fact forward i.e. most of the high performing organizations globally followed a ‘talent pool strategy’, where instead of finding the people for
positions a company looks for the best people and creates positions of them. This highlights an important fact that an organization can’t increase its talent offering until and unless it offers enough opportunities to its employee’s for their development. These modern day organizations first create the roles they want to fill in and later find the people who can be put for those roles. These people might be from within the organization or maybe hired from outside as and when the need arises. Thus for these organizations, roles and responsibilities matter more than ‘positions’ which is in itself a major factor that puts them ahead of most other organizations by giving them a competitive edge.

Macey, Schneider, Barbera, and Young, (2009) referred to human capital systems while defining the term Talent Management in a way that Talent Management must be carried out in an organization in such a way that more return is elicited from employees by influencing their performance. This could be done individually or collectively by focusing on the capabilities of individuals or groups. The main shift of this study traces itself back to the primordial belief that the best investment that an organization can do is on the human capital and hence on the capabilities of each individual. In other words, Talent Management is the focus rather than human resource management which is presumed to be only concerned with filling in the vacant positions in the company. The organization will grow more if the focus is on the development of the capabilities and skills of the employees. The organization too will rise if the employees are bestowed with ample development opportunities. Hence, the sole focus is on the human factor in this study and it could be said that organization must solely rely on humans as tools that can drive their business forward. Since they are human capital systems, investment must be made to develop them more so that the organization can also move ahead.

Richard et al. (2011) defined the term talent in the white paper published by him by title of ‘Development Dimensions International Inc.’, as a critical process which propels the organizations to possess the quality and quantity of people that meets their current business needs and future priorities. This process shall cover all the important aspects of an employee’s career path or ‘life cycle’, like, development, success, selection,
performance management, etc. Thus the Talent Management is considered as a very critical process that must be concerned with both the qualitative and quantitative aspects of managing the talent needs arising in the organization. Both the present day need and the needs in the future are taken into consideration in this approach. This is a distinct fact that this study has given stating that employee’s life cycle must be kept in mind by the organization so that a proper sequence of development could be well maintained ensuring the employee is properly trained from time to time to learn and adapt to varying roles and positions coming his way in the organization. Since the organization is dynamic in nature and ever changing, the focus must rely on the criticality of the management of talent needs.

(Reilly, 2012) has put forward this valid information that the trend suggests that Talent Management is a critical process where organizational success is concerned and hence this process can’t be overlooked or undermined. Most of the organizations consider Talent Management as their topnotch people issue and firmly believe that it majorly affects the business performance highly. This fact is also proved by many surveys carried out with HR executives and leaders. The point of consideration here however remains that despite so many researches and studies already been done, and considering also the fact that Talent Management affects business performance and if that is so, we must be able to quantify or measure Talent Management to be able to demonstrate the effect. And yet, academicians cannot seem to agree on a common definition of Talent Management as a lot of confusion still hangs around as to what all incorporates Talent Management and what all it can aim to achieve. The dimensions and parameters that drive Talent Management can’t universally said to be defined as of yet according to these studies. Even where organizations believe that all their people are talented, there also the term Talent Management is used to refer to only the high potential employees or some particular groups of people, or staff etc.

2.2. Strategic Talent Management

Lepak and Shaw, (2008) Strategic Talent Management is a system which is deployed to attain desired role behaviors from the organization’s talent which also assists in realizing
the organizations’ strategic objectives. When an organization inculcates a strategic Talent Management system, it only means Talent Management and incorporating various processes under it. Talent Management is a combination of various processes like recruitment; performance management; learning and development; and compensation management etc. And the organizations that actively engage their energies into managing this process can also precisely get the desired work done from the employees. The reason behind this being the fact that the roles are properly identified and defined under such a system leaving behind zero or no scope for vague roles and positions being created in the organization. Hence, an alignment of organizational goals to that of the personal goals is attained.

2.3 Talent Management and Performance Management

Blumberg and Pringle (1982) have put forward the fact that performance is a function of, willingness (motivation, job satisfaction, status etc), capacity (ability, health, intelligence, education etc) and opportunity to perform (tools, equipment, working conditions, co-worker and leader behavior etc.) This leads us to confer the fact that performance is highly linked to Talent Management as when talent is well managed in an organization then the performance level will also automatically increase because the employee's skills will be developed and the right roles shall be assigned to them based on their talent. Thus it becomes relevant to recognize the relationship of Talent Management and performance management.

Partlow (1996) has described that the organizations who have developed a robust performance management system based very well on the needs of the employees and the skills that they possess tend to achieve good results in no time. An efficient performance management system is one which promotes the alignment of objectives of employees with the strategic objectives of the organization. There are other factors like technology and infrastructure that also affect the performance of employees and it has been observed that there exists a direct link between performance management software and improved results achieved through business solutions.
Ginsbersg (1997) has described about the design of the performance management system and has said that it should be according to the goals of the organization. He has stated that the first most important component of a performance management system is performance planning. He states that "In this process, both the appraisee and the reviewer jointly plan the performance process at the very beginning, the series of activities that is to be followed. The targets, goals and other specific key performance areas are planned for in this process so that the employees know what they have to do throughout the year and under what possible budget. When both the reviewer and the employee agree upon a performance plan, it is then finalized. When such performance plans are made, they ensure that the organizational goals are aligned with that of individual goals of an employee. When such a collaboration is made possible, it enables better performance and supervision of an employee."1

"The key performance areas should be carefully identified varying from organization to organization. The employee is clearly communicated about the areas in which the employee is expected to improve and a stipulated deadline is also assigned within which the employee must show this improvement. This plan is jointly developed by the appraisee and the appraiser and is mutually approved. The job task and objectives of the employee will be aligned with the goals and objectives of the department and division. The employee will understand the link between his or her responsibilities and the overall goals."2, as propagated by Michael Armstrong(2000) it is necessary for an organization to assemble its performance parameters very carefully. The main focus is that both the appraisee and the appraiser must jointly develop performance goals in order to make sure that the goals are successfully achieved.

Mwita (2000) has given us multidimensional construct of how performance must strongly be linked to the strategic goals of the organization. He quotes that "Performance is the key element to achieve the goals of the organization so to performance increase the effectiveness and efficiency of the organization which is helpful for the achievement of the organizational goals. Since the principle goal of the performance planning process is to support employee success and foster employee growth and development, it is
important that the supervisor and employee discuss any difficulties, challenges, or problems that might interfere with achieving the objectives and meeting standards. As a partner in the process, the supervisor’s role is to actively participate in identifying ways he or she can assist the employee in being successful. This dialogue may also include the identification of training or development needs of the employee that are important to his or her success.”

Kaynak (2003) has indicated in his research that supervision plays a very important role in the achievement of the overall goals of the organization. He has quoted that "The purpose of supervision is therefore to improve the service, exercise a duty of care to staff, and support good morale and staff retention. Effective supervision should results in positive outcomes both for people who use services and for the staff who provide those services. Essentially, supervision is a work-focused discussion and/or activity that should provide structure and feedback on day-to-day work, improving practice by critical reflection." Thus kaynak has propagated that there must be supervision throughout the organization so that there is continuous moral support and proper feedback mechanism system in the organization.

Heras (2006) has shown that Talent Management and performance management must go hand in hand. He has suggested that the supervisor and the employees or those they lead must work in complete unity and coordination in order to achieve organization stability. In his words, "Performance management is the process through which supervisors and those they lead gain a shared understanding of work expectations and goals, exchange performance feedback, identify learning and development opportunities, and evaluate performance results. When used correctly, performance management is a systematic analysis and measurement of worker performance (including communication of that assessment to the individual) that we use to improve performance over time. Performance appraisals are reviews of employee performance over time, so appraisal is just one piece of performance management."
Tom Baum et al. (2007) has propagated that the performance should be measured accurately so the weak areas of the employees could be brought to light. Tom Baum states that "Performance should be accurately measured so employees will know where they can improve. Knowing where to improve should lead to training employees to develop new skills to improve. To be an accurate measure of performance, our measure must be valid and reliable, acceptable and feasible, specific, and based on the mission and objectives. The regulatory requirements for planning employees’ performance include establishing the elements and standards of their performance appraisal plans. Performance elements and standards should be measurable, understandable, verifiable, equitable, and achievable. Through critical elements, employees are held accountable as individuals for work assignments or responsibilities. Employee performance plans should be flexible so that they can be adjusted for changing program objectives and work requirements". Thus performance must be measured accurately and effectively so that the weak areas of the employees can be improved.

Stahl et al’s (2007) has stated through his research that most of the high performing organizations studied are the ones which follow strategy of talent pool i.e. recruiting the best people and finding the best positions for them. Thus precedents followed have indicated the fact that "A study of global Talent Management confirmed that the high performing organizations they studied followed a talent pool strategy- recruiting the best people and then finding positions for them."  

Cappelli (2008) has suggested that organizations must combine both external recruiting and internal development to fill in its talent pool. This will "facilitates the management of quantitative risks associated with ensuring there is sufficient talent to meet organizational needs and not an oversupply– which represents a waste in resources. It also facilitates the management of qualitative risks associated with ensuring that the organization has the requisite skill set required at a point in time. Secondly, it is clear that for organizations, it is more effective to develop talent within the broader context of the organization, rather than with a particular succession role in mind. This prevents developing employees to fit
narrow, specialised roles but rather, once developed employees can be developed with broader competencies which would fit a range of roles.”

Deler & Doty, (1996); Fey, Bjorkman, & Pavlovskaya, (2000); Lengnick-Hall, & Lengnick-Hall, Andrade, & Drake, (2009) has suggested the fact that for the past two decades there has been a direct link between HRM practices and between organizational performances. This research suggests that "tracing a link between HRM practice and organizational performance has been an important theme in the literature on strategic HRM. This research stream reflects a transition form an early micro focus on individual HRM practices to a consideration of the extent to which HRM, as a congruent management approach, may impact on the competitive advantage of the organization.”

2.4 Employee Engagement and Talent Management

Melcrum’s (2005) has reviewed the literature and quoted the fact that there was a study done in Britain according to which there exists many differing definitions of employee engagement. Melcrum put forward the fact that "Similar to Talent Management, the engagement literature’s foundations stem more from practice than from empirical research or coherent theory. Robinson et al. (2004) reflect on this lack of knowledge as worrying as the study of employee engagement has peaked in interest within recent times. At present, Smythe (2007) believes that employee engagement is a disjointed concept, which has inadequate empirical support. Models of employee engagement do exist, many of which stem from the practical, business orientated literatures rather than the empirical research.”

Kahn (1990) stressed on the belief that employee engagement enhances performance at work because individuals display or exhibit the best of themselves through physical, emotional and cognitive means when they performing their roles. He thus stated that "personal engagement is the control over organization members’ selves that is exhibited by them within the completion of their work roles; in engagement people employ and articulate themselves through physical, emotional and cognitive means during role
performance. Kahn (1990) divided engagement into three dimensions: meaningfulness, safety and availability. Although Kahn (1992) presents a comprehensive theoretical model of psychological presence, he does not offer an operationalization of the construct.\textsuperscript{11}

Most of the literature on employee engagement has been on the basis of Kahn's employee engagement model and thus it can be easily said that many of the other theories based on employee engagement are derived from Kahn's model. However Rothbard (2001), conceived that engagement is more of a psychological presence that contains two important components, namely, "attention and absorption. Respectively, these refer to the individual’s cognitive ability as well as the amount of time an individual would spend thinking of a role; and the intensity of an individual’s focus on a role as well as the level of fixation they experience for the role."\textsuperscript{12}

Maslach, Schaufeli and Leiter (2001), and Schaufeli and Bakker (2004) have viewed engagement "as the inverse experience of burnout. Instead of the symptoms of burnout, for example, exhaustion, cynicism and inefficacy, individuals who experience engagement exhibit energy, involvement and efficacy."\textsuperscript{13}

Schaufeli, Salanova, Gonzalez-Roma and Bakker (2002) have related two terms, engagement and burnout and given an explanation for the same by saying that "Defining engagement as the opposite of another construct, burnout, is not adequate because engagement is independent of burnout as it relates to other constructs not related to burnout. They view engagement as a more persistent and pervasive affective-cognitive state that is not focused on any particular object, event, individual or behaviour."\textsuperscript{14}

Although they agreed with Maslach et al (2001) and with Rothbard (2001) that employee engagement consists of dedication, vigor and absorption.

Schaufeli and Bakker (2004) had found that "engaged employees are likely to have greater attachment to their organizations and thus a lower tendency to leave the organization."\textsuperscript{15} This will in turn be retaining the best talent within an organization. Thus
Bhatnagar (2007) states that employee engagement is of vital significance to be able to retain talented employees.

Schaufeli and Bakker (2004) also conducted a study in Netherlands, to focus on the measurement of engagement and burnout. In their research, "The sample for the study consisted of employees from four different Dutch service organizations. The four organizations were an insurance company, a pension fund company, an Occupational Health and Safety Service, and a homecare institution. The sample sizes from each organization were 381, 202, 507 and 608 respectively and together form a relatively large sample size. These four organizations are very different, having divergent activities and cultures." According to Schaufeli and Bakker (2004), the pension fund companies and insurance companies being finance related follow a management by objectives philosophy because employees mainly work with information. While on the other hand, 'people work' is done by occupational health and safety service and home care organizations.

Smythe (2007) indicates that "The rise of employee engagement began once organizations found that ‘command and control’ management efforts were no longer valid. Until recently, employees were trading their compliance and allegiance to the organization for job security and other organizational benefits (final-salary pension schemes or private health care) It seems organizations no longer seek employee compliance, but rather employees who engage their creativity within their work to increase the organization’s talent offering. Advancement of an organization supposedly occurs when a flexible, committed and highly motivated pool of talent who have a strong sense of purpose about their work are present." To this Forman (2005) states that "the most important factor in retaining talent within organizations is a trustful and effective relationship with the employee’s manager. Another important factor for retaining talent is the presence of effective communication and feedback channels that allow organizations to know the requirements and interests of their talent He further adds on that research by Buckingham and Coffman and the Fortune
Best Places to Work data show that managers are important to top talent. Like all of us, excellent performers have requirements and needs that should be addressed before performance suffers, and that effective and supportive management is pivotal in directing talent Forman. He purports that the relationship between the manager and employee is at the heart of the [retention] matter - it is a vital retention factor. The relationship between employee and manager encompasses trust, integrity, responsiveness and follow-through every day on the job. Executive leadership must provide support for talent retention. After the importance of manager support, Forman sees engagement as an essential ingredient of the complete talent picture.\textsuperscript{17}

Smythe (2007) quotes that there the overlap between Talent Management and employee engagement is highlighted by following two quotes: "firstly, employee engagement is first and foremost a management philosophy based on the idea of including the right people in the right decisions at the right time in the right way ; and secondly that the talent deployment phase hinges on “the ability to insure that the right people, with the right skills and knowledge, are used on the right jobs at the right time. These quotes emphasize how the outcomes and procedures of Talent Management and engagement are congruent. In total, organizations are under the impression that implementing strategies targeted at their valuable employees, or talent, will increase their levels of engagement, and hence increase the organization’s effectiveness, for example through higher employee retention levels."\textsuperscript{18}

The central or main concern of the Talent Management program is to make sure that the best of the employees are being acquired and retained in order to be able to add more value to the organization. Bhatnagar (2007) states that employee engagement remains to be of high importance and plays an important role in retaining the top talent.

Glen (2006) and Smythe (2007) believe that "there is no obvious empirical evidence behind the assertions, therefore, it seems that organizations are implementing talent practices to achieve employee engagement without ever consulting empirical data that supports such action. The justification behind studying the link between Talent
Management perceptions and employee engagement is twofold. Firstly, an outcome desired by management that is possibly attained through implementing Talent Management practices is to engage employees within their work roles so that the organization may acquire their employees’ best work efforts (it is of interest to ascertain whether managerial support links these two constructs).”

2.5 Learning & Development and Talent Management

Chitalu (2011) believes that all the talented employees tend to sharpen their skills and appear more attractive to other employers, at any given time. If the employees are not satisfied with their employer's effort at training them or delivering opportunities for other senior management positions, or offer them job flexibility etc, they will automatically tend to leave the organization. It is relevant for the organization to understand what individuals are already good at and in which areas they need improvement in. Doing this will allow the organization to have a targeted, impactful and efficient training and other developmental programs.

Chitalu (2011) states that "Assessing employees' skills using objective tools such as tests, technical interviews and performance ratings can provide the insight talent managers need to decide who has certain skills versus who needs additional training. Talent measurement also can be used diagnostically to plan training and development investments or as an outcome measure to verify whether learning has occurred. Many leading companies also allow employees to identify their own competency development needs and link those to internal career paths and opportunities. By providing tools for employees to self-assess their skill levels and then choose from recommended training and development offerings – often self-paced and provided online – companies give employees access to, and responsibility for, self development. Role design and development policies should aim to place talented people in roles that will give them scope to use and develop their skills, and provide them with autonomy and challenging work. Talent Management policies should also focus on role flexibility – giving people the chance to develop their roles by making better and extended use of their talents. Thus
if the employees are given ample training and development opportunities then they will not leave the organization."\(^{20}\)

Sturges et al (2002) has put forth the fact that today's employees are more career conscious than before and they have become more demanding in terms of personal development and growth. The competitive pressure can be managed by the organizations simply by developing their workforce in a better way. Most of the high potential employees are career focused and that's why an organization needs to create some kind of employee value proposition that can further support career development of the employees. In the words of Sturges (2002), "Organizational career management supports the development of employee commitment. When organizational career management practices meet employees pre-joining expectations, this will enhance commitment, satisfaction and other positive outcomes."\(^{21}\)

According to Lubitish & Smith (2007), "the shift away from a psychological contract that provided job security and a mutual employment relationship, towards one where individuals have to maintain their’ employability’ through managing their own development and career progression has undoubtedly shifted the balance of power towards talented professionals. Organizations that fail to allow employees to meet their individual needs will be losing valued employees. Career development is an approach of an organization ensuring that people with the qualifications and experience are available when needed"\(^{22}\)

Vos & Megarck (2009) have indicated that to retain employees, career development plan must be made for the employees as it plays a vital role. Providing various lucrative career development opportunities will deter employees from leaving the organization. Also Vos (2009) has stated that "Using career development approach employers can coach the employee in his individual career planning, and by realizing the plans of employees can plan the allocation of human resources. Thus, the career development is perceived like joint effort between the individual employee and the organization."\(^{23}\)
Wagner (2000) has suggested that "although salary and benefits play a role in recruiting and retaining employees, people are also looking for opportunities to learn, the challenge of new responsibilities and the prospect of personal and professional growth. Satisfying these intrinsic needs helps build trust, morale, loyalty and overall satisfaction in employees. There has been a shift from job security and lifelong employability to lifelong learning and Talent Management."^24

Arnold (2005); Bernsen et al, (2009); Herman (2005) considered that it is important for an organization to give opportunities for learning and development to its employees in such a way that employees can maintain their capabilities effectively, and at the same time resist redundancy.

Garrow & Hirsh (2008) defined the term Talent Management as "encompassing career development by the organization’s HR taking up the responsibility of developing human capital. Research shows that opportunities for training and development has a significant (perceived) ability to retain talented people and in line with the psychological contract, high performers often perceive development as a benefit which they are entitled. When employees perceive a constructive and individual return from the training they receive, their organization usually gains in form of increased commitment, employee satisfaction and retention. The primary goals of many employee development programs is to communicate the vision of the organization, help workers understand the corporate values and culture, and show employees at every level how they can help the company succeed. They exist in order to support business’s strategic goals by providing learning opportunities and engraining the organizational culture. Although the need for technical training in a specific position will never disappear, understanding an organization’s culture and fitting into it are becoming increasingly important for employee success."^25

Feldman (2001) has stated that there are "two factors that are crucial to the success of employee development programs are keeping them current and putting learning in the hands of employees. For many workers, an opportunity for continuous learning weighs heavily in their decision to accept or remain in a position. As a result; employees are
increasingly emphasizing career development activities. The psychological contract in which employees were almost guaranteed long term loyalty and commitment to the organization in return for giving employees job security, opportunities for promotion and training are not there. People have realized they are reaching plateaus in their careers and opportunities for advancement do not exist. Career development is the series of activities or the ongoing/ lifelong process of developing one’s career. It usually refers to managing one’s career in an intra-organizational or inter-organizational scenario. It involves training on new skills, moving to higher job responsibilities, making a career change within the same organization, moving to a different organization.” 26

Tatham (2013), "has given an important observation regarding the term career development. He stated that "the talented people are very ambitious and they expect a high development of their career and they demand the help of the organization to achieve that development. Hence, they will stay in the firm only if the employer gives them every opportunity to develop their potential. So the retention is about motivation, commitment, career investment, career project and also rewarding, which does not mean only money. Organizations with high levels of engagement provide employees with the opportunities to develop their abilities, learn new skills, acquire new knowledge and realize their potential. Learning and development programs are essential components in the process of Talent Management, ensuring that people acquire and enhance skills and competencies they need."27

Sturgel et al.(2000) have mentioned that "Unlike in the past when employees had clearly defined career paths and jobs-for – life, the trend emphasizes employability, self development and individual responsibility for career development. Building employees’ capacity therefore, drives our attention to the importance of providing effective professional development for employees. For employees, an opportunity for continuous learning weighs heavily in their decision to remain in the profession. Employees with good career opportunities in their organizations are more likely to feel an obligation to their employing organization and develop a strong emotional attachment to the organization"28
2.6 Workplace Management and Talent Management

Kelli A. G, Mayra L, Allen W, and Karl K (2013) have discussed at great length that "Managing workplace diversity requires that managers should recognize certain skills that are vital for creating an effective and successful diverse workforce. Leaders and managers must understand that understanding discrimination and its consequences will always prevail in the organization. Managers must recognize their own cultural preferences. They must see diversity as the differences among individuals and support the fact that each individual is unique in a special way." Thus managers must work towards ending the discriminating factors throughout the organization otherwise the consequences might linger on in the organization for a long time, thereby, creating precedents. Also the managers must be willing to change the culture of the organization whenever the need arises and must learn how to manage the diversity of workforce in order to be successful in nature. Since there is no single formula that a company could apply to be successful, therefore it depends on the ability of the manager to figure out what best suits the company based on the teamwork and the dynamics of the workplace.

Roosevelt (2001) has explained "that diversity management involves a complete process needed for creating a working environment that involves everyone. When creating an effective and successful diverse workforce, Managers in the first instance must focus on personal awareness. Both employers and employees need to outline their personal prejudices. A one day session of training is not enough to change people’s mind and behaviors, therefore organizations need to constantly develop, implement, and maintain ongoing training and awareness creation. Diversity management entails much more than providing same opportunity for employment. Managers should realize that change occurs in a slow pace, but yet should continue to encourage change. Dealing with diversity also requires providing a secure environment for managers and workers to communicate, such environments includes social gatherings and business meetings where every member feels comfortable to be and creates a friendly atmosphere to speak freely as well as listen to others. Mentoring programs should be implemented to guide employees on how to access information. Constructive feedbacks should be given to the employees after they
have learnt about their mistakes and when they are successful in implementing the lessons learnt to achieve success. In today’s global environment, organizational culture can be defined as the way by which people live and attributes that they portray such as their behaviors, beliefs, symbols and values that they tend to accept generally from generations to generations. In a business sense, every company has a ‘Company culture’ that contains different form of activities for varying working positions and also as a general guide to the company.

Herman (2005) has stated that "A cultural mentor’s task is to help both older staff and new recruits understand the culture in the new context. In particular, it is the duty of the cultural mentor to explain to the mentee how things are done in the company, and how behavior should be interpreted. Some companies usually regard the Human Resource Department or Human Resource Manager as a company mentor. Whereas other companies invite or in some cases employ an individual or group of people to serve as mentors to the company from time to time. The ultimate goal of a mentor is to be able to help the participants or employees realize their own potential to enable them to effectively utilize it. To become a successful cultural mentor, a person needs to find out the areas in which he or she is much more informed and comfortable with and could excel. Those areas would incorporate as well as represent the person’s image. Based on the above views and explanations, a Cultural mentor can be defined as an individual or a group of persons who serves as a role model to formulate an objective.”

Kreitner (2001) has given a detailed list of some of the common barriers that are useful in implementing a diverse workforce management. Some common barriers to implementing diversity management as given by Kreitner (2001) are

- The difficulty in balancing career and Family: Women are most likely to be presented with this challenge. In modern culture, women are still expected to take care of young children and to manage the household. Although attitudes are shifting, women still bear the greatest household responsibilities.
• An unsupportive and hostile working environment for diverse employees: Diverse 25 employees are excluded from social activities and are thus prevented from forming networks among other employees.

• Fears of discrimination: People fear of being discriminated upon and therefore are reluctant to apply for jobs where there are different nationalities than theirs.

• Diversity is not seen as an organizational priority: Employees may not view diversity efforts as work contributing to the success of the organization.

• Resistance to change: People resist change for reasons such as fear of failure, mistrust and peer pressure. It is up to leadership to overcome these challenges by properly informing and managing changes and the perceptions when they feel threatened. Due to the implication of a change in people’s perception to change, leadership may need to adhere to change management principles (Kreitner, 2003:668). Kotler advises that management should implement change management by taking into account to:

• Establish a sense of urgency: Management must provide a convincing reason to accept diversity management principles. When the workforce becomes comfortable with the ideology of diversity management, it will motivate them to follow it.

• Create a guiding coalition: People with influence and power need to lead this change. Chief Executive Officers, head of departments, business mentors and other prominent and respectable persons in the company or the society are usually the right persons to lead the change, due to the fact that they are more experienced and are often trusted to know the right and wrong.

• Develop a vision and strategy: A strategic plan with the goal of effective integration of diversity into everyday business needs to be formulated. This will help the company track its activities to ensure that it is followed and successfully implemented.

• Effectively communicate the change vision: This goal and vision must be consistently communicated in clear terms to all affected in order for them to have the clear idea of the change and come to term with it.
• Empower broad-based action and generate short-term wins: The barriers to diversity management must be addressed and eliminated. Also small achievable goals should be set to ensure its successful implementation.32

2.7 Infrastructure, Retention and Talent Management

According to Davis et al.(2007), "the last and maybe the most important task or step of the Talent Management is the retention of the talented people inside the organization. We believe that these talented people are investments of the organization and also the key of its success; that is why the company should keep them in the organization. The retention should not be enforced through contracts or deals, it has to be voluntary, otherwise the employee will be in the organization but he or she will not exploit all the potential in accomplishing the organizational goal. The talented people are very ambitious and they expect a high development of their career and they demand the help of the organization to achieve that development. Hence, they will stay in the firm only if the employer gives them every opportunity to develop their potential. So the retention is about motivation, commitment, career investment, career project and also rewarding, which does not mean only money."33

Davis et al (2006) has further stated in his research that "the career investment program of a company shows that it is ready to invest in its staff to help them to achieve their entire development and to acquire new skills and knowledge, if the staff sees that effort of the company, they will answer with a superior performance, it is like an implicit contract between organization and talented people. The corporate investment that the enterprise can do to attract and retain talented resources are the training, the recruitment process, the internal communication, HR infrastructures and in a Talent Management strategy. If a firm does this investment is because is a enterprise which takes care of their employees and it will become in a magnet for talented people who will want to work for that company."34

According to Davis et al (2009), "building a corporate loyalty is a very effective way to retain the talent pool, but the loyalty in a long term is not related with high salaries and a
good financial package, maybe it works in a short term but in a long term the talented people are looking for something more and also to maintain a program of very high salaries and extensive benefits is not possible for a long time. however when we say that the salary is not a tool for retain the talented people, we do not want to say that it is not important, the firm has to pay for the talented people because they are very valuable and all companies want to hire them, that is why the organization has to maintain the level of its salaries reflecting the general market conditions. The loyalty is achieved when the firm builds a brand soul, it means, the characteristic of the organization, the real essence, the vision, the passion and the culture, which includes values and the way of operating. This brand soul is shared for all members in the organization, creating a feeling of union, it means, they feel that they are the part of a whole and that they understand completely the company. Furthermore the brand soul can be a good tool to attract new talents, because the talented people want to work in a talented organization. The brand soul is an image or a picture of the essence of the company which shows the firm to the environment.'

Davis et al. (2008) while talking about retaining an employee mentions that "We want to note that sometimes an employee will stay into the company just because is a specific firm, which has a good image or because it realizes a very interesting activity which can gives him or her a specific skill, knowledge or even reputation. When that happens, it is because the organization has built a powerful brand soul. This can help to the company to attract the most talented people without making a great investment in the recruitment, development and overall in the retention. The next tool to retain the talent pool is the promotion processes; they have to be open and transparent, because the promotion based on a personal relationship destroys the morale of their employees. However a promotion process based on meritocracy, it means when the promotion processes is based on employee’s achievements and on the potential that he or she shows, can increase the employee’s commitment and also his or her self confidence and motivation. The reason of this rise of the motivation and commitment is that they see that their effort is taken into account by the organization and it can be rewarded if they show a superior performance. Hence, a formal promotion panel or board can build the trust of the workforce. The career
plans are also much related with the promotion processes and it can be also a great tool to retain the talent pool, but the key is to full the promises that the company does when the employee is hired to avoid the disillusionment of the employee. The career plans shows to the employee that this firm can give the development that he or she is looking for the talent." Thus the role of motivation and commitment is highlighted as it will make sure that the employee feels engaged in his or her work and gives his complete contribution."³⁶

Davis et al. (2007) is perhaps the most important contributor to the retention theory and furthered cornered a philosophy that the "most important tool or aspect for retaining the talent pool is the motivation. That is the key for the success in the Talent Management strategy because the level of effort that the employee will do is equal to the “reward”, which is not only money, so the motivation has to be sustained. The motivation can be achieved through all the actions mentioned above, but also through others as realistic objective setting, culture of continual learning, paying attention to the ideas that the employee presents and fostering the creativity. There are four factors which foster the motivation and we can order them in base on the importance that talented people give to them, they are the recognition, the opportunity, the job satisfaction and the last one is the money. Therefore we can say that the key motivator is the recognition, it shows the necessity of all people to gain a reputation and to feel valuable because it reaffirm to them what they are. The reason for the recognition will be situated in the first place is that if a talented person gets it, to achieve the rest of the motivation factors, they are opportunity, job satisfaction and money will be easier."³⁷
References:


