Chapter 2

Talent Management: A Conceptual Framework
2.1 History and Background of the word “Talent”
2.2 Introduction to Talent Management
2.3 Concept of Talent Management
2.4 Perspectives on talent management
2.5 Need of Talent Management
2.6 Components of Talent Management
2.7 Talent Management Process
2.8 Strategy for Talent Management
2.9 Overcoming Challenges in Implementation of Talent Management System
2.10 Conclusion
2.1 History and Background of the word “Talent”

“Talent” – etymologically describing . . .

The word “talent” is thousands of years old, and lexicologists have identified how the term has varied greatly with time, people and locality (that’s etymology).¹⁷

The first dictionary definition of “talent” refers to “a denomination of weight, used by the Assyrians, Babylonians, Greek, Romans, and other ancient peoples”.¹⁸

A talent became a monetary unit when value was attributed to one talent of silver. The word “talent” entered English via the Bible. In Matthew 25:14 there is a reference to a man who, about to go on a journey, entrusts his property to his servants, giving each five talents, two and one respectively “according to his ability”.¹⁹

The Greek version of this verse uses the word “talent”, whereas the New English Bible translates the Greek word “talent” with the word “capital”. Today, HR people also use the term “human capital”, which in some contexts could be seen as synonymous to “talent”.²⁰

By the thirteenth century the word “talent” was related to an inclination or a disposition. In the fifteenth century it related to treasure, riches, mental endowment and natural ability. In the seventeenth century, “talent” related to a special natural ability or aptitudes and faculties of various kinds (mental orders of a superior order, mental power or abilities). By the nineteenth century, talent was viewed as embodied in the talented – hence, a person of talent and ability.

So throughout the ages, the word “talent” which started life as a unit of weight and then a unit of money, acquired new meanings in Europe in the Middle Ages. This

¹⁷ John William Humphrey, John Peter Oleson, Andrew Neil Sherwood, Greek and Roman technology, p.487.
¹⁸ www.thefreedictionary.com
¹⁹ www.biblegateway.com
²⁰ www.emeraldinsight.com
changed to mean special ability or aptitude, with those seen as talented able to demonstrate outstanding accomplishments in mental and physical domains. The motivation here was certainly to distinguish talent from ‘‘mere’’ skill. We see this in contemporary dictionaries, where talent is defined as ‘‘a natural ability to do something well’’ (Longman Dictionary of Contemporary English, 2006)21 and ‘‘a special aptitude or faculty; high mental ability, a person or persons of talent’’ (Concise Oxford Dictionary, 1990).22

2.2 Introduction to Talent Management:
In today’s competitive business environment just human resource is not important. The most important and invaluable asset is the Talented Human Resource. It is this asset of an organization that leads it to the path of the success. Human resource is playing its role as a strategic partner instead of supporting administrative tasks in the organizations because greatest assets of the organization are its people. The wish of every organization is to achieve in advance stated objectives and to fulfil its tasks successfully. In order to be able to carry out its intentions, the organization has to employ all its resources - people, materials, technique and technologies, capital as well as methods - as efficiently as possible. A key element in the fulfilment of in advance stated objectives and achieving organization’s required performance efficiency are human resources, mainly talented individuals. These employees contribute to a large extent to the implementation of strategy and to organization’s economic objectives. There is a need that the organization pays the increased attention to them, concentrates on comprehensive and systematic work with them and applies the system of talent management in the organization. If an organization has the man power but not the talent than it is the living machines that an organization has employed. So the man power with talent is an invaluable and most important asset of an organization.

Organisations are operating in increasingly dynamic environment. To be truly successful they need to stay one step ahead of the game and predict who will be the key drivers of their future success. In such a context, the approach taken on talent is the

21 www.pearsonlongman.com/
22 oxforddictionaries.com
closest an organisation gets to a crystal ball. It can enable them to identify the leadership DNA that will drive their performance in the future, what the predictor genes look like, how to measure them in identifying high potentials and how to develop those genes through the learning environment.

The word ‘Talent’ has gained importance nowadays. It is said that the person without talent is of no use, he cannot be successful in life if he has no talent, no skill and no innovative thinking. But talent is the scarce resource that is found in few human beings and once the organization spots and finds out such human beings then surely they are going to be successful. As talent is scarce, organizations have to be very much careful in finding out the talented employees for its working. People belong to diverse backgrounds therefore possess diverse talents. So, this is an organization’s responsibility to effectively manage the talent of its workforce to achieve business objectives.

The idea of managing talent is not new. Four or five decades ago, it was viewed as a peripheral responsibility best relegated to the personnel department. Now, talent management is an organizational function that is taken far more seriously. Organizations know that they must have the best talent in order to succeed in the hypercompetitive and increasingly complex global economy. Along with the understanding of the need to hire, develop, and retain talented people, organizations are aware that they must manage talent as a critical resource to achieve the best possible results. Few, if any, organizations today have an adequate supply of talent. Gaps exist at the top of the organization, in the first- to midlevel leadership ranks, and at the front lines. Talent is an increasingly scarce resource, so it must be managed to the fullest effect.

The approach of talent management use in human resources management has been carefully verified by the practice abroad, the organizations consider it as a useful instrument of systematic work with talented individuals. Talent management is of core to the vitality of the business to meet and exceed current as well as future business
strategies and goals. Framework of talent management proactively anticipates and meets business talent demand which is necessary to successfully execute the business strategy. It insights into the business strategy, then accordingly develops as well as retains prior talent and attracting new talent to cope with the strategic needs in order to get best utilization out of tools and processes to deliver talent management solutions. Talent management solutions recognise the value of human potential in sustainable corporate productivity. It builds an insightful understanding of the complexity of the employment life-cycle. It offers the business a simple, integrated solution that is easy to use, administer and maintain and that maximizes the investment made in their people. Talent management is a set of competency-based human resource management practices aimed at getting the best out of its high-value people and ensuring that right people are in place to do a particular job.

Although most organizations have increased their emphasis on talent management over the past three years, they recognize that they still need to improve their talent management programs. Even those talent management programs that are considered most effective — specifically, employee learning and development, and performance management — are rated as very effective by less than 30% of organizations. Employers are significantly more likely to report being more effective on a particular aspect of talent management when they have increased their emphasis in that area. On a global basis, organizations are most likely to increase their emphasis in three areas over the next three years: leadership, succession planning and career corridor. Given today’s economic conditions, the skills and competencies that leaders require have changed, reflecting the new behaviours that are needed for organizations to compete successfully. Organizations are addressing this need by investing in leadership development programs, emphasizing new executive competencies around creating a strategic vision, change leadership skills to implement these new strategies and a results orientation to deliver on them. Organizations are also working to develop new leadership assessment tools around these executive competencies. These tools will be used to assess the new leadership competencies and to identify the development needs


24 www.gjimt.com/2.pdf
of leaders who, in some cases, are required to make significant jumps in role complexity to meet the changing needs of the business.

Employers and employees alike recognize the importance of career corridor and succession management, but employers are less effective in these areas. Effective succession management is a tool for reducing human capital risks and loss of institutional knowledge associated with employee turnover, and is vital to preparing leaders for significant jumps in complexity as they move up the hierarchy. Developing career paths and plans helps organizations direct employee development to those areas that will prepare them for advancement opportunities and build deeper skill sets. Together, career paths and plans and succession management all help ensure the organization continues to develop the top talent and critical-skill employees needed for success.25

A concept of talent management does not place any special demands on organizations from the standpoint of human resource management tasks as well as that of individual personnel activities. A careful application and mutual interconnection of the best principles and approaches that have proved their worthiness in practice, especially in the field of acquisition and selection, education and development, remuneration and care of employees are in question. Talent management does not concern, as it is sometimes mistakenly simplified, only a matter of remuneration and benefits for talented employees but also motivation, making advancement in their career possible, creation of appropriate working environment, their superiors' decent approach, cultivating a quality of recognition, appreciation and respect, the introduction of targeted strategies and others that will provide people and organizations with a space and the opportunity to develop and use their talent.26

A prerequisite to the efficient working of talent management in the organization is its initiation and support by organizations' management and its interrelation with organization's business strategy. Particular processes of talent management then flow

25 www.deloitte.com

26 www.waset.org/journals/waset/v53/v53-149.pdf
from this strategy and become a practical instrument of talented employees' management - acquisition, development and retention of talents. Talent management should not be aimed only at workers with a high potential, e.g. at managers holding top executive posts. It is necessary to introduce a broader approach that will identify talents and key segments of workers across the whole hierarchical organizations. Equally, talent management should not concentrate only on talents - individuals but also on the optimal involvement of talented people in teams and for the purpose of synergic effect then to form a sort of team total talent and that of the organization.

The approach of talent management use in human resources management has been carefully verified by the practice abroad, the organizations consider it as a useful instrument of systematic work with talented individuals. They really apply this system to the management of their human resources. As a proof, for example, can serve the results of the survey '2010 State of Talent Management' carried out by the world's biggest association of experts in the area of talent management New Talent Management Network in January 2010. The system of talent management has been implemented and is successfully used at 67 % respondents participating in the survey.27

2.3 Concept of Talent Management

In simple words, talent means having unique skills and abilities. They are such skills and abilities which are rarely found i.e. it is not common in everybody. Different people have different skills and abilities; say for instance Lata Mangeshkar has the talent of singing while Sachin Tendulkar has the skill of playing cricket. To be successful it is necessary to identify the talent which people is having, developing it and sustaining it. Once the talent is spotted, it is necessary to develop it i.e. if a person has realized that he has got the skill of singing, then he should get the formal training of it, do the needed practice so that it can be sustained. So, talent refers to the ability of learning and its expansion to face and cope with the new challenges of the dynamic environment. The meaning of talent is generally assumed but not explicitly defined. Frequently, talent is used synonymously with people or assets, such as individual knowledge, skills, attitudes, or competence.28 However, to discuss the concept of talent in greater detail,

27 www.ey.com

28 www.leedsmet.ac.uk/
researchers must establish a typology that can assist in explicating the concept of talent with substantive content.

Talent deals with the forthcoming potential instead of past tracks. Superior talent is increasingly recognized as the prime source of sustainable competitive advantage in high performance organizations. Underlying this trend is the rapidly changing business environment and the growing need for globally aware managers and professionals with multi-functional fluency, technological literacy, entrepreneurial skills, and the ability to operate in different cultures, structures and markets.29

According to Wikipedia, the term talent management was first coined by McKinsey and Company in the mid-1990s and is a professional term that has recently gained popularity. It refers to the process of developing and fostering new workers through interviewing, hiring, orienting and successfully integrating new hires into an organization’s culture, and thereafter, developing and keeping current workers and attracting highly skilled workers to work for an organisation. Consequently, it is considered that organizations involved in talent management are strategic and deliberate in how they source, attract, select, train, develop, promote, and move employees through the organization.

In simple words, talent management refers to the process of developing and integrating new workers, developing and keeping current workers and attracting highly skilled workers to work for your company. Talent management is a process that emerged in the 1990's and continues to be adopted, as more companies come to realize that their employee's talents and skills drive their business success.30 The term talent management means different things to different people. To some, it is about the management of high-worth individuals or "the talented " while to others it is about how talent is managed generally - i.e., on the assumption that all people have talent which should be identified and liberated. Talent management decisions are often driven by a set of organizational core competencies as well as position - specific competences.

29 www.ebi.ac.uk
30 www.un.org
The term talent management means different things to different people. For example, The Chartered Institute of Personnel and Development considers that talent management is focused on the individual member of staff who can either make an immediate positive difference to organizational performance, or who possess the potential to make such a difference at some point in the future.\textsuperscript{31} Berger and Berger are more inclusive and consider it is about how talent is managed generally and assumes that all people have some talent which can be identified and liberated.\textsuperscript{32} They do, however, suggest that an organization that effectively promotes talent management categorizes staff members and concentrates development investment in key, high performance and high potential individuals.

Talent management has become a central component of corporate human resource strategies and has recently gained increasing interest in the area of HRM/HRD research. Though talent management is not a new concept, but talent management research is scarce.\textsuperscript{33} The increasing focus on talent has spread from knowledge-intensive organizations to wider segments in the labor market. Since 1997, when the consultancy firm McKinsey suggested that the global war for talent is becoming a critical driving force in corporate competitiveness and performance, the notion of talent management has become increasingly popular.\textsuperscript{34} Most of the literature on talent management contains the central notion that talent management is associated with different human resource department practices, such as the strategic recruitment, retention, development, and training of talented high-performing or high-potential employees. The allocation of the appropriately selected person to the appropriate position and the development and training of the relevant competence based on strategic business objectives is associated with higher productivity and a competitive advantage and is regarded as crucial to an organization’s success.\textsuperscript{35}

\textsuperscript{31} www.cipd.co.uk
\textsuperscript{32} www.projecteuclid.org
\textsuperscript{33} www.emeraldinsight.com
\textsuperscript{34} www.bwl.univie.ac.at
\textsuperscript{35} www.shrm.org
Human resource practices have been linked to organizational performance. However, it is not clear whether the value of strong HR practices is outcome-related or related to process issues or whether these practices are primarily symbolic in nature.\textsuperscript{36} For example, the outcomes of many HRD processes are seldom formally evaluated as a result of problems related to measurement and evaluation. Previous research has primarily utilized cross-sectional designs, and causal relationships have not been satisfactorily illuminated. It is unclear whether HRM/HRD practices contribute to organizational outcomes or whether organizational success leads to increased investments in strengthening HRM/HRD practices.\textsuperscript{37}

At the same time, the signs are that attracting and retaining talented employees is becoming harder. In fact, a number of recent surveys suggest that many large organisations are already suffering a chronic shortage of talented people. In the USA, for instance, three-quarters of the 400 corporate officers recently surveyed said their companies had “insufficient talent sometimes” or were “chronically talent-short across the board”.\textsuperscript{38}

\subsection*{2.4 Perspectives on talent management}

In a review of the practitioner-oriented literature pertaining to talent management, Lewis and Heckman identified three types of conceptualizations of talent management:

(1) A collection of typical human resource department practices or functions;

(2) Talent pools or flows of employees into jobs in an organization; or

(3) A generic perspective on talent that focuses on either high-performing and high-potential employees or talent in general.

According to the first perspective, talent management is associated with a set of typical HRM/HRD practices or functions, such as recruitment, training, and development.\textsuperscript{39}

\textsuperscript{36} www.markhuselid.com

\textsuperscript{37} www.upcommons.upc.edu/revistes/bitstream/2099/7052/1/katou.pdf

\textsuperscript{38} www.ncbi.nlm.nih.gov

\textsuperscript{39} onlinelibrary.wiley.com
For instance, Creelman has defined talent management as the process of attracting, recruiting, and retaining talented employees. This understanding of talent management is closely related to traditional definitions of HRM/HRD. For example, Cascio has defined HRM as attracting, selecting, retaining, developing, and using human resources to achieve individual and organizational objectives. However, talent management continues to be perceived as substantially different from traditional HRM and does not merely consist of assigning new labels to old ideas.

Talent management is associated with activities that include incorporating new knowledge and doing things more quickly and efficiently. From this perspective, talent management has also been associated with a shift from the department-specific focus of HRM activities to an organization-wide engagement at all levels in terms of recruiting, retaining, and developing talent. The HR department, line managers, and senior management team of an organization are all engaged in talent management processes. Talent management is also considered to be a way by which HR professionals can achieve credibility and recognition or enhance their legitimacy and status both within and outside of an organisation.

Talent management is considered to be an important way of ensuring that HRM becomes a central component of a business’s strategy and is integrated into the everyday processes throughout an organization, from the practices of the HR department and line managers to those of senior management.\(^\text{40}\)

The second perspective on talent management, which Lewis and Heckman derived from the previous literature, is associated with a focus on talent pools and processes that are designed to secure the supply of employees in different parts of an organization in relation to specific jobs and tasks. This perspective is related to human resource planning or workforce planning and development. The focus of this notion of talent management is on the anticipation of future organizational employee or staffing needs, career advancement, and internal workforce matters. From this perspective, it is important to identify the specific needs in an organisation by, for example, constructing

\(^\text{40}\) www.emeraldinsight.com
needs assessments and conducting detailed job and talent gap analyses as foundations for training and development.

According to the third perspective, talent management is regarded generically and is not associated with specific positions or organizations.\(^{41}\) Two different views of talent management are encompassed by this perspective. First, talent is primarily associated with individuals who demonstrate high potential or high performance and are sought, recruited, and differentially rewarded without regard to their specific roles in an organisation. From this perspective, talent management is associated with differentiation and a focus on elitism rather than egalitarianism. The process of securing, developing, and managing the most talented employees is generally associated with gaining a competitive advantage. Organisational success is increasingly attributed to the outstanding performance of a few select employees, and the differential value created by the most talented employees is considered to be significant.\(^{42}\)

### 2.5 Need of Talent Management

Superior talent is increasingly recognised as the prime source of sustainable competitive advantage in high performance organisations. Therefore, organizations should continuously do the process of talent management so that the needed talent in the organization can be sustained. The basic requirement for talent management in the organization is listed under:

#### 2.5.1 Filling the Gap

Talent management is the process of attracting, selecting and retaining the employees. But before that, an organization should find out what types of employees are required, which are currently available, what would be the future need, etc. Depending on the requirements of the organization, it should fill the gap of employees that it needs with the help of talent management.

#### 2.5.2 Checking the Suitability

\(^{41}\) [www.business.uzh.ch](http://www.business.uzh.ch)

\(^{42}\) [www.academia.edu](http://www.academia.edu)
Through talent management, an organization can find out whether the person selected for the given position is suitable or not. This is done through various techniques like performance appraisal, role designation, regular and timely checking, etc. If the person is found suitable that is his outcome is good, than talent management is successful and if not then it is necessary to make the needed changes.

2.5.3 Clearly Designed Organization Goals
For an individual, it is necessary that he should know for what purpose he is there in the organization. An organization should have clearly designed goals for all individuals so that he exactly knows what he is supposed to do. If an employee is unclear about his roles and duties then how would he perform his work and if he is not doing his work, he would be a liability to the organization. Therefore, for effectively managing talent, it is necessary that there should be clearly designed goals in the organization.

2.5.4 Commitment of Valued Employees and Their Accountability
When the talent management process is followed properly, it increases the commitment, accountability and value of the employees. Due to proper talent spotting, promotion decisions, satisfactory work, personal satisfaction, etc employee feels that he is valued in the organization. Due to this, he tries to give the best outcome to the organization which ultimately benefits him as well as an organization. Without proper talent management, it’s not possible to make employee a committed employee.

2.5.5 Manpower Planning
Without proper manpower planning, there is always a failure for the organization. If manpower is determined well in advanced, their sources, their job profile, description, etc then at the time of recruiting people, it would be quite easy and simple. All this can be done through proper implication of talent management process. Therefore, talent management plays an important role even in the manpower planning. It means that even before talent is spotted, the work of talent management starts earlier.

2.5.6 Knowledge Creation
The organization needs to support and provide a context for key knowledge workers to create new knowledge. Strategies for enhancing knowledge creation include practicing relevant leadership behaviours such as providing vision and support for innovation; and
cultivating an organizational learning culture. So, for the purpose of knowledge creation, talent management can determine the ideal profile of a knowledge activist; instigate approaches to identify and liberate the individuals matching this profile; implement individualised coaching plans to optimize the performance of knowledge activists; and determine their career objectives and ensure that they are retained by the firm.

2.5.7 Career Management

Career management is an important factor in the development of graduate talent. It is not just about the individual seeking the next move, but also the recognition of the potential and value of talent by the organization. As part of a systematic approach, a focus on career management will have individuals selected, ready and equipped to take up key managerial positions. This will facilitate a longer-term view of both employee and company needs. Investment in talent, when used as a development tool by organizations will help manage the flow of talent and determine suitability for identified roles. The individual employee will benefit from a career plan managed specifically for them and the business will be able to proactively plan for succession of roles, in a transparent way for the future.

2.5.8 Recruiting and Retaining Talent

Recruitment and retention have long been identified as one of the industry’s biggest challenges. This is due in part to the highly labour intensive nature of the industry, especially in contexts where customer service expectations are high. Fuelling the recruitment and retention challenge are factors that have traditionally been characteristic of almost every industry and that have contributed to the perception that it is a less than ideal place to work. Here, talent management plays an important part by creating situations which turns favourable one for the labourers. It can be done through various techniques such as motivation, work life balance, etc.

2.5.9 Employee Engagement

Talent management strategy contributes to employee engagement also. Engaged employees are individuals who take action to improve business results for their organizations. They “stay, say, and strive-stay with and are committed to the
organization, say positive things about their workplace, and strive to go above and beyond to deliver extraordinary work”. 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.

2.6 Components of Talent Management

The central to the concept of talent management is the systematic identification of key positions which differentially contribute to the organisation’s sustained competitive advantage within the global arena. The basic components which should be included for the effective talent management process are as under:

Chart 2.1
Components of Talent Management
2.6.1 Attracting

The responsibility to recruit top-tier talent is often left up to the recruiter’s ability to source and screen for the bright talent. This task not only takes time, but also requires financial investment, especially if an executive search firm is used. An organization needs to be creative when developing a recruitment strategy and should avoid the more traditional methods of recruiting when attempting to attract young people. Recommended strategies for this generation include interactive networking sites, open houses events (for prospects and their parents or friends), referral programs, internships, and online job boards.

A senior executive of a large real estate firm suggests that sharp and talented employees are attracted to each other, and potential employees are drawn to an organization whose workforce is full of bright energetic talent. One way to attract this talent is to offer competitive or above-market compensation packages, which includes better benefits
than the competing real estate company’s offer. While there can be increased costs involved, this executive feels that the initial investment to attract top-tier talent pays huge dividends.

Recruitment is carried out using many methods, going into B-Schools, using the internet and employing newspaper advertisements. For high-level workers, it uses internet search, as well as poaching from competitors. The company has specific problems in recruiting technicians; skills shortages also exist in some professional specialism. These employees are usually recruited from competitors. They tend to retain talented workers through high salaries and encourage younger workers to buy homes with low-interest loans, as it is hard to buy a home in Hangzhou. The company tries to provide career development and professional development opportunities and train talented people for future opportunities. Before 2003, most senior management came from within the company using internal labour markets; after 2003, except for the chairman and general manager, most were recruited from the external labour market. Of middle managers, 40 per cent have been recruited from outside the company.

2.6.2 Selecting
Traditional hiring practices such as examining resumes, checking references, and conducting interviews is becoming more obsolete not to mention the subjective nature of evaluating resumes and answers to interview questions makes these practices less reliable and exposes companies to more legal ramifications. It is becoming more common to include an objective measure of performance, such as psychological assessment, in combination with other recruitment tools in order to improve a company’s chances of matching the right person to the job. Behavioural interviews, personality assessments and job knowledge tests can serve as valuable selection, promotion and placement tools.43

2.6.3 Engaging
Attracting and selecting the talent are only the start and can appear to be the simplest of the phases. Although pay and benefits may initially attract employees, top-tier
organizations have now realized the importance of employee engagement. Engagement is much more than satisfaction. A satisfied employee is happy with current pay, benefits, and atmosphere. This contentment may cause hesitation to show any extra initiative or achievement; thus, it creates a worker who is comfortable with the status quo. Alternatively, engaged employees demonstrate virtuous qualities like: innovation and creativity; taking personal responsibility to make things happen; authentic desire to make the company successful as well as the team; and having an emotional bond to the organization and its mission and vision. Engaged employees are not difficult to spot in an organization. They are high-impact people – the “go-to” people in a company. They are willing to go the extra mile to help the customer and usually understand how this effort makes a difference on the bottom line. However, one should not misunderstand or devalue satisfaction. Both satisfied and engaged employees are valuable to an organization.

A survey conducted by The Jackson Organization of 200,000 employees found that only 40 percent were identified as being both highly engaged and highly satisfied. It is critical for organizations to address low engagement scores such as the 46 percent of employees that are described in this survey. These are workers who actually interface with the customer. Often, these are also the employees who can increase or decrease market share through the level of customer care they deliver.

When human resource managers measure their own organization’s engagement, they immediately want to find ways to improve engagement among all ranks. In many instances, employee engagement is a product of strong leadership. The opportunity and challenge is to increase the strength of employee engagement. This engagement can best be accomplished by recognizing that there are four different generations currently working in organizations. These generations include:

(1) The traditionalist born between 1900 and 1945 (10 percent of the workforce);
(2) Baby boomers born between 1946 and 1964 (45 percent of the workforce);

44 www.digitalcommons.fiu.edu
45 www.ijfm.net
(3) Generation X born between 1965 and 1981 (30 percent of the workforce); and

With each generation comes a separate and distinct protocol for increasing their engagement. For example, the traditionalists are the most satisfied and often the most engaged because they are not dealing with the challenges of child care, are retired, and are more apt to be working for the “fun of it.” These traditionalists are most content and see work as more of an activity than a way of making ends meet. Baby boomers are in need of energizing; they are commonly referred to as “work-a-holics” and are commonly “stressed-out.” This group is also the one that express the lowest satisfaction with their immediate manager or supervisor. Young workers, both Gen-Xers and Millennials, are uneasy on the job, not because of inexperience or difficulty adjusting, but because of their expectations. They seek a different kind of workplace/employment balance. From early life, this group has watched their parents struggle in late twentieth century corporations and they apparently decided early on to count on having multiple careers. This age group is searching for a robust and engaging workplace that encourages collegiality, teamwork, and fun. They are looking for ample opportunities to learn and grow, including assignments that are challenging and involve flexibility and leeway. They are also looking for immediate feedback from their supervisor or mentor. They want to work for someone who appreciates an individual employee’s point-of-view and encourages their development.

2.6.4 Developing
Because of the unique characteristics that exist within each generation, strategies should be tailored specifically for each in order to engage them. There are, however, common threads that increase retention, overall. Gostick and Elton report that employees will stay where there is: a quality relationship with his or her manager; opportunities for personal growth and professional development; work-life balance; a feeling of making a difference; meaningful work; and adequate training.

46 www.asha.org
47 www.ijfm.net/index.php
In a nationwide survey of workers and their preferences, “the opportunity to learn and grow and try new things” ranked third among ten basic elements. It ranked higher than additional pay, more vacation, flexible schedule, flexible workplace, work that is personally stimulating, and even by a slight margin, a workplace that is enjoyable.

Employees at all job levels value learning; however, people in small companies value learning more than those in larger ones and those employees who work more than 50 hour per week show above-average preference for learning. People in professional and business services, information and technology, and construction show a significantly above-average preference to learn and grow than workers in other industries. Therefore, these findings support the value of organizations becoming what David Garvin of the Harvard Business School refers to as a “learning organization” which is “skilled at creating, acquiring, interpreting, transferring, and retaining knowledge and then modifying its behaviour purposefully to reflect new knowledge and insights”. Many real estate managers find themselves asking the question, “which is better, to train the employee and have them leave or have an employee in the job untrained?” Research indicates, by far, it is better for the organization over the long haul to have employees trained and have supervisors and mentors dedicated to talking to employees about their performance.48

Tracy Bowers, of The Worthing Companies, suggests developing multi-generational teams. She states: “We have found the older generation enjoys working with the younger ones. The younger ones bring the energy and the younger generation likes to work with the experienced older generation.” Bowers also states that the company’s training staff use personality instruments to further develop each generation’s understanding of each other, in order to maximize everyone’s value to reach the company’s common goal.

2.6.5 Retaining
Employee retention is closely linked to an organization’s performance management system. It is recommended that a compensation package clearly articulate expectations

48 www.amazon.com
of performance, skill requirements, experience, and behaviour. This system should be designed to drive top performance at every skill level within the organization. It is recommended that compensation and benefits support the organization’s overall goals, not just in recruiting and retention, but also in business performance, commonly referred to as the HR Scorecard, in which people and strategy are linked with performance. Performance management systems should also address how the different generations in the workplace view feedback and the drivers of employee retention. While Boomers generally assume they may spend one to five years in a position before being promoted, Generation Y want to know where they are going to be next month. Seventy-one percent of top performers who received regular feedback were likely to stay on the job versus 43 percent who didn’t receive regular feedback. These statistics indicate that even among peak performers, feedback plays a vital role in an employee’s decision to stay in a job.49

49 https://www.mercurymagazines.com

Among the most important factors driving employee retention are opportunities to develop and advance in their careers. According to a recent study, one of the best predictors of turnover is whether an employee had recently received training. Other studies confirm that executives who feel they have been made to wait longer for promotions are more likely to become disenchanted and quit. A survey of Generation Y showed they would wait only an average of ten months for an opportunity to develop before concluding that advancement was blocked and they should move on.

In this case, success can depend on more than simply having a deep bench of ready and available talent should an employee decide to move on; it involves having a succession planning process focused on long-term organizational implications and sharing that with employees. Most traditional succession plans simply focus on which individuals should advance to the next position in a hierarchy of jobs, commonly referred to as a job ladder. Today, succession planning should focus more specifically on talent assessment and force managers to ask, “Who is most ready for the job?” The improvement focuses on the fact that the determinations are made well in advance of the vacancy. Therefore, the purpose of a succession plan becomes twofold: (1) to
identify which jobs will come vacant at what time; and (2) which individuals will be in the pipeline with the necessary skills, talent, and expertise to fill them. More elaborate plans attempt to ascertain which individuals at each level are equipped with the right attributes to become candidates for promotion to senior positions later in their careers. As the number of skilled workers decrease and the Generation Y seek out positions that promote more “work/life balance,” the number of executives ready for advancement will decrease. This advance preparation allows for increased training, providing additional employee satisfaction and engagement, as well.

2.7 Talent Management Process

Char 2.2

Process of Talent Management

![Integrated Talent Management](source.png)

Source: www.joshbersin.com

Integrated talent management process is shown in the above figure. The figure says that in order to develop the proper talent management process it is necessary to integrate it with the organization’s HR systems and metrics and along with that the competency management also plays the vital role so it should also be taken into consideration. The several elements that are covered under it are as follows:
2.7.1 Talent Strategy and Planning
The first and foremost thing that comes under talent management process is the formation of talent strategy and its planning. The talent strategy should be such that future need and current need of the business should be identified i.e. how many employees will be needed and what would be their qualifications, work profile, etc should be done in advance. Again, according to the business level, talent plan should be set up. If there is need of more technocrat people rather than admin people than people should be identified accordingly. Generally, at the lower level, more workers are needed and at the top level, executives are in need. Therefore, an organization should develop the talent pool according to the levels of the business. Lastly, the risk and gap analysis should be done by the organization. The talent present in the firm and the talent needed in the firm forms the gap in the organization. This gap should be filled up by the organization. Thus, the first and foremost step in the talent management process is forming talent management strategy and its planning.

2.7.2 Sourcing and Recruiting
An effective and efficient source of recruiting the people should be used by the organization. The most reliable source generally used by the organization is the internal source and mostly current employees are promoted to the higher level and for the lower positions fresher are selected. In other words, an organization should use the most trusted and reliable source for the recruitment of the people. Also, the task of recruitment is not easy, utmost care is to be taken while recruiting the employees. The various methods of recruitment should be used but the traditional methods should not be used. Recruitment has significantly evolved, from a time consuming process bound by limitations of traditional communication channels, to a sophisticated one heavily influenced by web technology. Online screening and analysis tools, such as resume analysis programs and online pre-employment assessments facilitate the identification of key talent sources from the resultant increased applicant pool.
2.7.3 Performance management

Performance management helps in identifying those knowledge workers who are performing best, and provides feedback on employees’ roles and expected performance standards (Debowski, 2006). This helps in identifying the organization’s high performers and in implementing initiatives for addressing developmental needs. Such talent identification metrics need to be tailored when applied to knowledge-intensive environments characterized by collaborative efforts (Whelan et al., 2010). For this purpose, there should be proper team alignment i.e. workers should be assigned work according to their capacity and one superior should be appointed to note their working. There should be pay equity among all employees, as and when the performance of employees is becoming more better, they should be paid accordingly and vice versa. Again the there should be the expert team of management to judge the performance of employees. Good performance system not only helps the management but also the organization because both have the advantage of development.

2.7.4 Learning and Development

Learning and development opportunities need to be available widely rather than for a few, who might be identified early on as talented. Real leadership development comes not through a one-dimensional linear approach, but through providing rich and varied opportunities for learning and development. The principal means of developing or refining talent to secure a supply of highly skilled labour in a knowledge-driven economy has often been considered to be through formal learning and education. Learning is primarily associated with formal education and instruction. Learning is an informal social process that is experience-based and associated with active engagement in a community. A formal degree is often regarded as a proxy for an individual’s knowledge and skills or for his or her productive capability. Once learning has been completed, the employee is ready to become an expert after doing certain practice. Generally, baby boomers and generation X are not much flexible whereas generation Y is seen to be much flexible for learning. Generation Y looks for career development and even employers seek self-reliant, independent, creative, and innovative entrepreneurs with strong interpersonal skills and the ability to work with others. In addition, employees are expected to be flexible and capable of rapidly orienting themselves to new contexts and to learn what is needed when it is needed.
2.7.5 Succession Planning
Succession planning is generally needed for the key positions in an organization. Even at the higher level, there is a need for motivation for the people because he has the continuous desire to grow. He feels highly motivated when the organization shows him a clear path as to how he can meet his personal ambitions while trying to realise corporate goals. Through succession planning, companies can assure a steady flow of internal talent to fill important vacancies. It encourages ‘hiring from within’ and creates a healthy environment where employees have career rather than just the jobs. This assures organization of continuity of operation and better qualified incumbents. Various talent pools are identified and separated through succession planning. Moreover, creating various leadership models for the betterment of the employees would be more useful to the organization. Employees would be given much better guidance and direction so that they develop along with the organization.

2.7.6 Leadership Development
Leadership refers to the process of guiding and directing the employees in such a manner that organizational as well as individual goals are achieved. In talent management process, leadership development is necessary because through a good leader only an organization progresses. Once an employee becomes a leader it means he has the skills, qualities, knowledge, creativity and innovations. In other words, he is a talented employee. Efforts should be made by firms to develop such leaders and retain them in the organization. They should be continuous motivation even though they are self-motivated, they should also be treated as special employees, various other benefits like extra pay, participation in decision making, personal development chances, etc. should be given to them. More the development of leadership in the organization, quicker would be its progress. But, an organization should also see to it that every employee is given equal chances for the development. No bias should be done.

2.7.7 Compensation
Compensation refers to the return which the employee gets for his working in the organization. It includes wages and salary, incentives, fringe benefits, perquisites and non-monetary benefits. Every employee should be given compensation as per his qualifications, qualities, capabilities and his outcome in the organization. There is a sense of equity when employee’s compensation is same as other employees. If there is
lower compensation to some and higher to others, it would create dissatisfaction among the employees. Therefore, an organization should set up an equitable and consistent compensation system. Performance Appraisal systems are widely used for deciding the compensation of the employees. Such appraisals must be done by the experts so that no injustice is done to anyone. Compensation is indeed the best option not only to attract the talented employee but also to retain them in the organization.

2.8 Strategy for Talent Management
As said earlier that the talent is the scarce source, it is necessary to retain it. The simple strategy that can be used to retain the talent in the organization is as under:

2.8.1 Align Individual Goals with Corporate Strategy
The best talent management plan is closely aligned with the company’s strategic plan and overall business needs. Goal alignment is a powerful management tool that not only clarifies job roles for individual employees, but also demonstrates ongoing value of your employees to the organization. When you engage employees in their work through goal alignment, you create greater employee ownership in your company's ultimate success; they become more committed to your company and achieve higher levels of job performance.

To achieve "goal alignment" in your organization, you must first clearly communicate your strategic business objectives across the entire company. By allowing managers to access and view the goals of other departments, your organization can greatly reduce redundancy. Goal sharing also helps departmental heads find ways to better support each other, as well as identify areas where they may be unintentionally working at cross purposes. With everyone working together toward the same objectives, your company can execute strategy faster, with more flexibility and adaptability.

2.8.2 Create Highly-Skilled Internal Talent Pools
Strategically minded organizations are able to change ahead of the curve when it comes to planning and developing a workforce with the right competencies. They have deeper strategic insight into their employees, and use that insight to proactively put the right workforces in place to effectively respond to urgent marketplace needs. At one time or another, most companies will find themselves faced with a situation with limited time
to assess viable candidates due to a planned (or unplanned) change in leadership or industry conditions. For many of these businesses, a prolonged leadership void is too risky. It raises questions about a company's internal talent pool. Is it robust enough? How much attention has been given to developing internal talent, starting at the senior executive level? Are there ready candidates at every key position?

A critical element of a successful talent management program is the generation of "talent pools" within a company—a reliable and consistent internal source of talent and a valuable piece of the succession planning process. The development of skilled talent pools makes it easier to develop desirable skill sets in a broader group of employees, resulting in higher performance across all levels and functions. By cultivating talent pools internally you are ensuring that you will have experienced and trained employees prepared to assume leadership roles as they become available.

2.8.3 Pair Them with Effective Mentors

Mentor in general sense means that a person who can advise and teach others and having an experience. Corporate environments have taken notice of this talent management concept and have started implementing more structured mentoring programs. These can be a very powerful tool in acclimating employees to the corporate culture and values.

Mentoring can also be enormously valuable for those high potential employees who thrive on interaction with influential colleagues. The difficulty lies in finding that perfect match between a seasoned employee with the willingness and openness to mentor someone, and a high potential employee who respects that mentor and is eager to incorporate the knowledge. But when that is achieved, it can be a great employee retention approach.

2.8.4 Giving High Visibility Assignments

Giving high potential employees high visibility and meaningful assignments is key to keeping them engaged. This can take on many different forms. Think about handing over stretch assignments that are pivotal to the organization’s success. While this may frighten some managers, it is important that these employees be given challenging
opportunities that are outside their comfort zones. They may make mistakes along the way, but that’s a necessary part of their employee development. Other things you may want to explore include rotation to a supplier or partner, swapping positions, coaching/mentoring, or other creative talent development solutions that expand a high potential employee’s visibility and depth of experience.

2.8.5 Open Communication
This may seem like “stating the obvious,” but if a high potential employee has a concern, or an idea, it is in the organization’s best interest to listen.

Give employees the one-on-one attention they deserve with all levels of management and foster their creativity. You may also want to consider communicating that you believe they are high potential, and as such, enormously valuable to the organization. Some managers may worry that this will cause the employee to develop a sense of entitlement, but the more likely scenario is that it will boost their desire to work toward fully realizing their potential.

2.8.6 Invest in their learning and development
Certain group of employees yearns for dynamic and ever-changing tasks. Is there an opportunity for an employee to be sent overseas for an extended period of time? Is your organization large enough that it can implement special “tracks” for high potential employees?

Many organizations are coming up with talent management structures that allow one employee to touch many facets of the organization, from sales, to marketing, to customer service. For those employees who thrive on constantly learning, what better opportunity than to have assignments in all of these different roles? Remember that if you implement something like this, the employee must be empowered to actively participate in the planning of his or her career development.

2.8.7 Measure Progress Quarterly
Given that companies measure themselves on a quarterly basis, wouldn’t it make sense to take your high potential employees and measure them the same way? By exposing
this group to mentors, new and high visibility projects, position swapping, etc, you are putting them in unfamiliar territory.

Instead of waiting until the end of the year for the performance review, implement a proactive quarterly review that provides them with more immediate feedback. In turn, this feedback can be used to improve the employee’s performance in the short-term, thus improving overall performance and communication at all levels.

Regardless of where your organization stands at the moment, it is imperative that deliberate talent management strategies be put into place in order to grow and retain your high potential employees. You simply need to understand the state of your particular corporate environment, and then implement those ideas that fit your corporate culture and resources.

2.9 Overcoming Challenges in Implementation of Talent Management System

1. Identifying genuine high achievers in a company can prove difficult. Paper-based, subjective reviews give an unreliable view of an organization’s talent and make searching for internal candidates problematic. A good talent-development system can help to provide consistent reviews, which then match skills and potential to internal opportunities. Not everyone is “above average” and by calibrating performance across organizations, reward systems and budgets can be better targeted. Once high achievers are identified, the challenge becomes retaining and nurturing this talent. With no career path in place it is quite easy for an organization to lose its best employees to competitors.

2. Instead of spending money developing employees to the next level, organizations are simply back-filling, spending money and time recruiting and training a new employee. In specialist roles this can be a lengthy, expensive process and can damage business performance. As an employee, being recognized and nurtured to match your aspirations in your company is far more likely to encourage loyalty.

3. Effective succession planning plays an important role in successful talent-development strategies, but sometimes an organization’s plan can be inconclusive, or, more worryingly, omitted completely. Radical changes in
direction, whether the retirement of several senior executives or a lack of appropriate cover for specialist roles, can leave organizations in turmoil, particularly if repeated time and again. Building an internal talent pool to become natural, informed and skilled successors provides the path to evolution that is linked to business success rather than continual revolution. Developing high performers with the right skills to match future organizational needs and goals becomes the final challenge for companies. Incorporating the strategic elements of talent management with learning platforms helps companies to manage their training and development. Occasionally these are linked and we are now beginning to see full integration so that learning development and training are matched directly to desired role competencies and business objectives.

4. The best talent-development systems help companies to deliver business goals today and secure the long-term strategic control of the organization’s talent.

2.10 Conclusion

Thus, talent is often seen as an individual characteristic that singles out some individuals from others on the basis of their level of possession of that characteristic. In the context of talent management or development, this talent needs timely and careful discovery, assessment, development, placement and retention by organizations (Lewis and Heckman, 2006). Today, every organization looks innovative capacity and competitive advantage depend. Therefore, if organizations have a clear description of what they are looking for in terms of talent, talent management seems a clear-cut process. Collings and Mellahi suggest that the quest for talent should start with deriving key positions for realizing competitive advantage from business strategy and then continue by developing talent pools in order to fill those positions, and setting up appropriate HR architecture to develop the talented.

The competency set may include knowledge, skills, experience and personal traits which demonstrated through defined behaviors. The various elements for effective talent management are as follows: Clearly define organization goals, Evaluating Results, Retaining the Talent Recognize Talent, Performance Appraisal, Attracting
Talent Management is beneficial to both the Organization and Employees. The organization benefits from: Increased productivity and capability; better linkages between individual efforts and the business goals. Commitment of valued employees; reduced turnover; increased bench strength and a better fit between people's jobs and skills. Employees benefit from: Higher motivation and commitment; career development; increased knowledge about and contribution to company goals; sustained motivation and job satisfaction. Thus, talent management plays a very vital role for the growth and the development of the business.
References
2. www.thefreedictionary.com
3. www.biblegateway.com
4. www.emeraldinsight.com
5. www.pearsonlongman.com/
6. www.oxforddictionaries.com
8. www.gjimt.com/2.pdf
9. www.deloitte.com
10. www.waset.org/journals/waset/v53/v53-149.pdf
11. www.ey.com
12. www.leedsmet.ac.uk
13. www.ebi.ac.uk
15. www.cipd.co.uk
16. www.projecteuclid.org
17. www.emeraldinsight.com
18. www.bwl.univie.ac.at
19. www.shrm.org
20. www.markhuselid.com
23. www.onlinelibrary.wiley.com
24. www.emeraldinsight.com
25. www.business.uzh.ch
26. www.academia.edu
27. www.fmi.org
28. www.digitalcommons.fiu.edu
29. www.ijfm.net
30. www.asha.org
31. www.ijfm.net/index.php
32. www.amazon.com
33. https://www.mercurymagazines.com