TALENT MANAGEMENT –A PARADIGM SHIFT IN CONTEMPORARAY CORPORATE SCENARIO

Dr. Tanu Kashyap

Abstract

There is a paradigm shift in understanding developing and enhancing the techniques for Talent Management. The companies are now willing to work on various aspects to retain, train and gain from the Talent within the company. This paper presents an interesting study.

Introduction

What's driving the current emphasis on talent management? Organizations have been talking about the connection between great employees and superior organizational performance for decades. There is a demonstrated relationship between better talent and better business performance. Increasingly, organizations seek to quantify the return on their investment in talent. The result is a body of "proof" that paints a compelling picture of the impact talent has on business performance.

- To highlight just a few: A 2007 study from the Hackett Group3 found companies that excel at managing talent post earnings that are 15 percent higher than peers. For an average Fortune 500 company, such an improvement in performance means hundreds of millions of dollars.
- A study from IBM found public companies that are more effective at talent management had higher percentages of financial outperformers than groups of similar sized companies with less effective talent management.
- Similarly, a 2006 research study from Mc Bassi & Co. revealed that high scorers in five categories of human capital management (leadership practices, employee engagement, knowledge accountability, workforce organization, and learning capacity) posted higher

stock market returns and better safety records—two common business goals that are top of mind for today's senior leadership.

- Talent Management is a critical process that ensures organizations have the quantity and quality of people in place to meet their current and future business priorities. The process covers all key aspects of an employee's "life cycle:" selection, development, succession and performance management.

Literature Review

After going through a lot of books, certain key areas were identified which included - A clear understanding of the organization's current and future business strategies. Identification of the key gaps between the talent in place and the talent required to drive business success. A sound talent management plan designed to close the talent gaps. It should also be integrated with strategic and business plans.
The creation of Talent Management mechanism needs a lot of in depth understanding-
The company should have accurate hiring and promotion decisions.
There has to be connection of individual and team goals to corporate goals, and providing clear expectations and feedback to manage performance.

The policy regarding development of talent should be in place to enhance performance in current positions as well as readiness for transition to the next level.
There is a paradigm shift in focus is not just on the talent strategy itself, but the elements required for successful execution. Most of the companies are following the model given below-

Talent Management Model

The Talent Management model illustrates key talent management processes that have been designed and developed to ensure that we attract, retain, and engage talented faculty and staff. Talent Management can be done

Associate Professor, Asian Business School, Noida

Workforce planning – The intentional and strategic projection and planning of access to talent (either internal or external) with the skills, knowledge, and behaviors essential for the achievement of the university's strategic objectives and/or demands.

Recruiting – The ability to successfully attract and hire key talent for current and future organizational needs through competency-based advertising and interviewing efforts. The website provides links to the most current applicant information and is the convenient and sole method for s

On boarding – The process of acclimating new hires and ensuring that they quickly feel welcomed, and valued by the organization. This process enables new employees to become productive members of the organization, who understand expectations for their job roles. On boarding goes beyond traditional "orientation" programs which focus mainly on managing policies, forms, and procedures

Strategic plan/goal alignment – The process of developing and implementing plans to reach an organization's long-term goals and objectives. It is the roadmap to lead an organization from where it is now to where it would like to be in 3-5 years.

Performance management – An ongoing, continuous process of communicating and clarifying job responsibilities, priorities, performance expectations, and development planning that optimize an individual's performance and aligns with organizational strategic organization.

360° assessments – 360-degree feedback is an assessment tool that provides faculty and staff leaders with feedback about their performance. Supervisors, peers, and direct reports answer questions based on their perceptions and observations of the leader's skills and attributes.

Executive coaching – A helping relationship between a client and a consultant, who uses a wide variety of behavioral techniques and methods, to assist the client to achieve mutually identified goals to improve professional performance and personal satisfaction in an effort to improve the effectiveness of the client's organization. (As adapted from Richard R Kilburg in Executive Coaching: Developing Managerial Wisdom in a World of Chaos, pages 65 and 67.)

Leadership development – Intentional goal-driven activities that enhance the quality of leadership abilities or attitudes within an individual or organization. Click here to learn more about leadership development opportunities.

Professional development – Process of establishing training goals and plans that link to individual goal attainment, career planning, and possible.

Recognition programs – A method of acknowledging, honoring, encouraging, and supporting individuals and teams who contribute, through behaviors and actions, to the success of the organization.

Compensation – A way to reward individuals for important work accomplishments, contributions to the goals of the university, and increased skills and competencies in their jobs.

Succession management – Succession management is a process for identifying and developing internal personnel with the potential to fill key or critical organizational positions. Succession management ensures the availability of experienced and capable employees that are prepared to assume these roles as they become available.

Diversity/Inclusion – Diversity represents a group comprised of individuals with similar and different experiences and backgrounds. Some of these differences include race, color,

religion, gender, national origin, sexual orientation, age, disability, veteran status, and ethnicity, but there are many other dimensions of diversity. "Diversity" does not address how people with different backgrounds and experiences function or work together. "Inclusion" is a sense of belonging: feeling respected, valued for who you are; feeling a level of supportive energy and commitment from others so than you can do your best work."

Engagement – The extent to which employees are committed to their organization's goals and values, motivated to contribute to organizational success, and are able at the same time to enhance their own sense of well-being.

Competencies – Those measurable behaviors, characteristics, abilities and personality traits that identify successful employees against defined roles within an organization.

Retention – A systematic effort focused not only on retaining an organization's talented performers but also to create and foster a welcoming work environment and high-retention culture. The end result is an organization that operates more effectively and efficiently, while becoming a great place to work.

Research Methodology-

The purpose of this research paper is to validate the nine best practices. This study is based on primary data and its purpose was to find out the how the corporate works in terms of finding the functionality in terms of Talent Management.

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 mid level leadership ranks, and at the front lines. Talent is an increasingly scarce resource, so it must be managed to the fullest effect. During the current economic downturn we may experience a short ceasefire in the war for talent, but we're all seeing new pressures put on the talent running our organizations. Are today's leaders able to do more with less?

The A-players can, and there should be a strategic emphasis on keeping those leaders—and developing their successors. Many organizations are reducing their workforces, but let's be careful not to cut so deep that talent is scarce when the economy rebounds. 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

Objective of this paper is to find out how Talent Management impacts Business and workforce effectiveness measurement during and after implementation.

Talent management requires that your business goals and strategies drive the quality and quantity of the talent you need. Procter & Gamble, for example, views "business decisions and talent decisions as one." And research put forth by the Aberdeen Group showed that best-in-class organizations are 34 percent more likely to connect succession management strategies with organizational strategies.

Below are statements made by organizations whose specific business goals and strategies drive their talent needs:

"We acquired one of our largest competitors and have redundant talent. How will we ensure we retain the best? Who will oversee the integration? What is the right management team for our new company? Who will help us focus on quality and cost containment, while pursuing new markets? And which employees will best fit the new culture?"

"We are a global automobile manufacturer that has steadily lost market share. What sort of talent are we going to need to shake up the status quo, rejuvenate our brand, and give us the action-orientation required to turn things around?"

"We are introducing a 'blockbuster' drug that requires us to double our sales force in the next eight months. In addition to sheer numbers, we also need to add the right kind of talent—sales reps who take a consultative approach with physicians." The real scenarios described above represent clear-cut examples of why matching talent to business needs is so powerful.

These organizations all hold a common belief that business success hinges on having the right talent in place—at the right time. Each of the organizations described above is proactively addressing its talent needs. But far too often, the connection between talent and business strategy is considered long after strategic plans are inked. When we gather groups of HR professionals for events, we often ask them who owns talent management. They point to senior management.

CEO Involvement in Talent Management- If talent management is a core part of any organization— if it can be hard-wired into the fabric and operations of an organization's most essential functions—HR and senior leadership must work together. The most successful initiatives are driven by HR with active and enthusiastic support from the CEO and other senior leaders— who provide the resources, the budget, the communication and support necessary for success. But HR needs to step up and play a critical role— more so than in the past.

One wouldn't question who owns the marketing process or the financial oversight of an organization—that's clearly the domain of the top marketing or financial officer and their teams. Likewise, HR needs to own and put in place professional talent management processes. And they need to get close.

One way to do this: Work with line managers to develop business plans that integrate talent plans, including advice on the ability to meet the business goal with the talent on board. When gaps exist, talent management professionals need to offer solutions to close them. In short, talent management professionals have to be trusted business advisors that execute the organization's talent management process.

You must know what you're looking for—Numerous studies show that companies with better financial performance are more likely to use competencies as the basis for succession management, external hiring, and inside promotions. Research highlights include: The Aberdeen Group found 53 percent of best-in-class companies have clearly defined competency models, compared to just 31 percent of other organizations (which post less impressive performance).

Aberdeen research also shows that best-in class organizations are 45 percent more likely to have models for key positions16 and 64 percent more likely to have models for all levels of their organizations than other organizations.

There are two reasons this approach is more effective than mere competency models. First and foremost, Talent Management is designed to manage talent in relation to business objectives— they should reflect key plans and priorities as well as change with new strategies. Additionally, they go beyond just competencies to include four complementary components:

Competencies: A cluster of related behaviors that is associated with success or failure in a job.

Personal Attributes: Personal dispositions and motivations that relate to satisfaction, success, or failure in a job.

Knowledge: Technical and/or professional information associated with successful performance of job activities.

Experience: Educational and work achievements associated with successful performance of job activities. The end result: detailed definitions of what is required for exceptional performance in a given role or job. Success Profiles can be used across the entire spectrum of talent management activities—from hiring and performance management to development.

The talent pipeline is only as strong as its weakest link. Many organizations equate the concept of talent management with senior leadership succession management. While succession planning is obviously important, our belief is that talent management must encompass a far broader portion of the employee population. Value creation does not come from senior leadership alone. The ability of an organization to compete depends upon the performance of all its key talent, and its ability to develop and promote that talent.

Effective talent management requires not only developing people for their current roles, but also getting them ready for their next transition. For example, individual contributors being considered for frontline leadership positions must make a critical transition from defining success based on their own performance to the performance of the team they manage. Similarly, the operational leader being groomed for a strategic leadership position must shift from a business unit or functional perspective to that of an enterprise guardian. A planned approach to transitions is especially important as organizations place more emphasis on "growing their

own leaders" rather than making often risky outside hires. The bad news is that few organizations have proactive succession processes in place at lower leadership levels. Our Global Leadership Forecast study revealed that only 28 percent of the companies we surveyed have a system in place for key individual contributors and just 38 percent have one for frontline leaders.

Talent Management is not a Democracy-Bank of America has a philosophy: Invest in the Best. Many companies do the opposite, and make a mistake by trying to spread limited resources for development equally across employees. We've found that organizations realize the best returns when promising individuals receive a differential focus when it comes to development dollars. So who should get these benefits? Two major categories: high-potential leaders and individuals who create value for their organizations. For example, Sunoco places special emphasis on mid-level plant managers because these leaders are, for the first time, managing multiple functions. Extra development increases their success in these pivotal roles.

Countless other organizations mine their mid-level ranks for leaders with the potential to advance into strategic or senior roles. And some companies focus on value creators such as engineers or sales associates whose results are most beneficial for their employers. These groups are most likely to return the most on any investment in their development.

Potential, performance and readiness are not the same thing. Many organizations understand the idea of a high-potential pool or a group of people who receive more developmental attention. But sometimes, they fail to consider the differences between potential, performance, and readiness.

If organizations—like athletics—don't scout for talent and then prepare individuals for top performance, how can they expect to have a winning team in the

future? Talent management is all about putting the right people in the right jobs.

The late Douglas Bray, Ph.D., a revered thought leader in the field of industrial and organizational psychology, devoted much of his career to one of the most famous and respected studies ever done on talent management: The AT&T Management Progress Study. Bray followed AT&T managerial talent throughout their 30-plus-year careers, marking changes in their skills and motivations over time. More than a decade ago, he made a statement that stuck with one of the authors of this white paper: "If you have only one dollar to spend on either improving the way you develop people or improving your selection and hiring process, pick the latter." Why should an organization place the higher priority on selection rather than development?

Training people to improve their judgment, learning agility, adaptability—all core requirements for most of the talent hired today—is difficult, if not impossible. Lack of motivation for a specific role or a poor fit between employees' values and those of the organization leads to poor performance, and no classroom experience or learning activity will change this fundamental mismatch. But you can get a read on these areas during a well-designed hiring/promotion process.

Hiring for the right skills is more efficient than developing those skills. What about the areas that are developable, like interpersonal skills, decision-making, or technical skills? Assessing those areas at the time of hire is likely to cost less than developing them later.

Conclusion

The following are the findings of this research paper-

Talent management is more about the "hows" than the "whats." Organizations have many "whats" relative to talent management,

including executive resource boards, software platforms, development plans, and training, training and more training. These "whats" promise nothing on their own. Guarantees come from "hows" instead. Our five realization factors for sound execution are:

Communication—Links the talent management initiative to the business drivers, puts forward a vision the organization can rally around, and sets expectations for what will happen in the organization.

Accountability—The importance of role clarity so that each individual in the talent management initiative knows what is expected of them.

Skill—Developing the right skills and providing coaches and mentors for support. > Alignment—Must align talent management initiatives to the business drivers but also need the right kinds of systems to identify high potentials, to diagnose for development, to link to performance management, and to do development that really changes behavior.

Measurement—One can't manage what one doesn't measure. It creates the tension, and objectives become clearer to help execute a talent strategy. The most effective measurements go beyond mere statistics to quantify what's working in talent management, why those initiatives are effective, and what impact they have on the organization. if we compared the effectiveness of organizations' leadership development efforts and how well they used the five factors of realization. Organizations with the most effective leadership development programs in place also used the realization factors most effectively to execute development strategies—outperforming organizations with the least effective development programs by 28-62 percentage points.

Software does not equal talent management- Claiming a piece of software can provide a full talent

management system is a bit like a food processor will produce a five-star meal. These tools are valuable in support of a good plan or recipe. The right tools clear the path for smoother execution and may improve the end product. But tools mean nothing without the right expertise and the right ingredients behind them. A recipe for five-star talent management includes a potent blend of content, expertise, and technology. It takes best-in-class content to drive the assessment and development of people, and a system constructed by knowledgeable experts who have seen a range of implementations—they should know what works, and what doesn't. Software should support the process, but it can't stand alone.

Organizations want to ensure their supply of leaders meets demand, so identifying and addressing future gaps has to be part of the plan today. Finally, analysis of the organizational situation discerns the state of talent management within a company. It defines who owns talent management, how it is supported by senior leadership, what systems will support individual initiatives, and the role of HR in executing the strategy. After talent implications, the focus turns to the "growth engine." These initiatives are most effective when they are built on common competency models.

The value of planning – Talent management has never been more of an immediate concern than it is right now. But in the rush to fill a perceived talent management void, organizations must be careful not to rush into implementing initiatives or programs that are more about taking action than about implementing a well-crafted solution. Careful planning, culminating in a sound talent strategy that is tightly connected to the organization's overall business strategies and business needs, is required for talent management to become ingrained in an organization's culture and practices. Only when this happens is it possible for talent management to be both effective and sustainable.

References:

1. David Watkins (1998) http//www.watsonhiyatt.com /research/recreder. asptid=W-488&page=1
2. Marion Devine and Marcus Powell (2008) Talent Management in Public Sector, The Ashridge Journal, Ashridge Business School
3. Dr. Mahua Majumdar (2009) Talent Retention in Pharmaceutical Company: A Perspective in the Modern Era, International Research Journal-ISSN-0974-2882Vol. II Issue 7 August 2007
4. Gregoire (2010) Consistently Acquiring and Retaining Top Talent, Taleo. Lois Webster (2008)
5. Best Practices of Talent Management and Succession Planning, Trade Press Services, November 2008 Mark Bezzina (2004) Human Resources and Employment, Standard Australia International HB-185-2004
6. Lowell L Bryan, Claudia I. Joyce and Leigh M. Weiss (2007) Making a Market in Talent, Talent Market in Action, McKinsey Quarterly.

Research Questionnaire

Research questions are broad based inquiries which are framed from the theoretical and research knowledge of the researcher in the chosen field of study. Based on the literature review and theoretical insights drawn on the research theme (Talent Management Practices) the following research questions are framed:

1. Whose burden it is to have the organisations' employee-retention strategy evolved for the future?
2. Does the effort of organizations in recruiting right persons for the right job get reflected in the performance of employees, namely the integration of recruitment and performance?
3. Is it difficult to retain the senior or the middle or lower level executives?

4. What style of management is most appealing to employees?
5. What type of executives, the organizations are interested to retain at all cost?
6. Though it seems to be a challenge to retain employees in organizations, what are the issues contributing to high attrition?
7. As a corollary to the previous question what are the issues which will help retain the employees?
8. Between competitive remuneration and career progression as motivating factor for retention of employees, what is more important?
9. Why does a fresher leave an organization sooner than the others?
10. When people leave the organization what causes the greatest concern for the manager?
11. What is the acceptable rate of attrition in these industries?
12. What are the challenges faced by managers to attract/retain employees?