

Literature Review: Talent Management

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Abstract

Talent Management has become increasingly important in modern organisations. It positively affects the capability of developing a convincing, beneficial, and valuable business for all stakeholders. It encourages talent adaptability and empowers the fast development of the business. In the context of globalisation, privatization and liberalisation, Talent Management has emerged as a novel, but important area in human resource management. Specialists around the world have demonstrated a significant interest in developing and retaining talented employees, which has prompted organisations to maintain and develop talents within the organisation. In the current financial decline, there is a significant requirement for talent within the organisation. The purpose of Literature Review is to analyse the importance of talent management processes within organisations and to identify issues encountered, while researching on the secondary sources which are already published.

Keywords: Talent Management, Human Resource Management; Employee Retention

Introduction

A dynamic rivalry for information encompasses the business climate, which drives associations to acquire information more precisely and quickly than its competitors. Currently, one of the primary difficulties for the associations is to identify and respond to recent changes within a competitive environment, particularly in respect of Human Resource Management (Tetik, 2016).

Talent Management (TM) has lately become a centre of expanding interest in the realm of work and has become more visible in modern scholarly writing because it meets the needs of workforce management that are related to cycles of expanded unpredictability and complexity, which an organisation ought to incorporate into its business methodologies. The idea of TM is frequently used to highlight the essential

significance of in-depth human resource reviews in associations. Most of the secondary resources on TM contains the focal idea that TM should be a vital component in the review process. (Nilsson & Ellstrom, 2012).

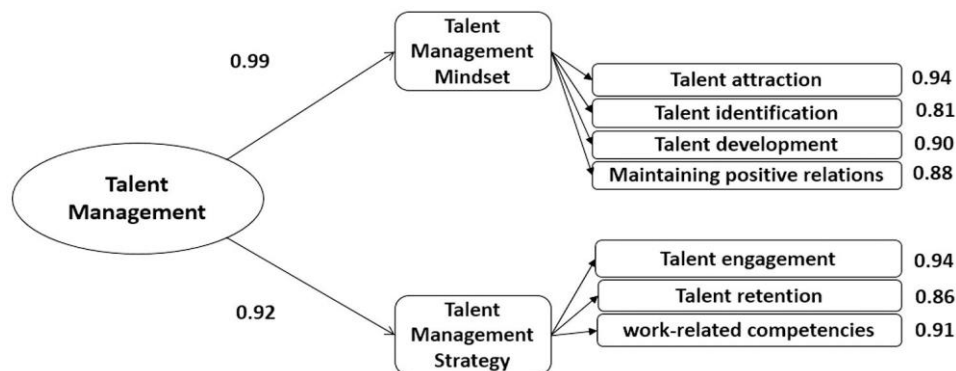
Due to the absence of solidarity in definition, TM is regarded as an anchor (Sparrow, et al., 2014) for assembling viewpoints and practices from various fields (Tetik, 2016). Lewis and Heckman (2006) identified three points of TM conceptualisation. The first viewpoint incorporates the general Human Resource (HR) office practices, for example, enlisting and retaining energetic and competent laborers to improve their performance abilities. The second approach explores TM through talent pools. These methodologies guarantee to fulfil the worker's needs and deal with the advancement cycles of representatives through various positions. A third point of view focuses upon the ability to identify talent for explicit positions inside the association (Tetik, 2016). TM can also be regarded as a positive attitude towards individuals where they are properly esteemed and considered to be the wellspring of an association. (Hughes, 2008)

Conceptual framework of talent management

After a broad inquiry on the TM, the accompanying essential model is put forward. In view of the proposed model in Figure 1, the TM is presented as the exogenous inactive variable, with the TM Strategy and TM Mindset as the endogenous inert factors. It is recommended that TM measurements are required to add to the improvement of a TM Mindset and better actualisation of TM Strategy. Figure 1 displays the specific relationships between components. The elements of TM Mindset have been primarily categorized as:

- Talent attraction / Talent identification / Talent development / Maintaining positive relations

Figure 1: The conceptual model (preliminary framework)



TM strategy has been divided into:

- Talent engagement / Talent retention / Work-related competencies

Elements of TM Process

Armstrong (2014) said that ability to manage talent begins with the business system and what it means in relation to the skilled individuals needed by the company. The principal objective is to create and keep a pool of capable individuals in the workplace. In his view, managing intellectual ability must take into account resourcing needs in respect of marketing strategy, approaches to innovation and maintenance, ability reviews, job planning, proper execution of talent relationships, execution of company's development strategy, learning and advancement, progression plans and professional field management. CIPD (2006) also identified essential components in a talent management model called "Talent pipeline" that included selecting, sending, executing strategies through the executives, creating, committing, following, fulfilling, and leaving. In addition, results from a CIPD survey undertaken in 2010, indicate that companies should undertake a determination review before undertaking TM projects to upgrade the sensations of mindfulness, certainty, and the inspiration to perform well. Pella and Inayati (2011) maintain that the critical components of the TM cycle are enlistment and determination, direction, executive execution, acknowledgment, maintenance, preparation and instruction, progression planning and advancement. Manopo (2011) adopts a similar approach. In his view, the TM cycle should consist of preparation, competency, executive management, selecting, learning and information advancement,

performance management and progression planning.

The views of subject specialists set out above demonstrate common features in the TM cycle. In general, the separate components can be organised into three significant groups: drawing in ability, creating ability and holding ability. The essential challenge companies face is how to connect three groups, and the components identified therein, to create a meaningful cycle. Lack of connection is the primary reason why some companies have failed to develop and implement successful TM systems.

Importance of TM

The essential purpose of TM planning is to ensure that a company can attract and retain the workforce talents required by the organisation. Keeping a predicted balance of workers is not the sole motivation behind the TM in an organisation. An effective approach to TM is fundamental for moulding the objectives and systems of the company and embedding them within the workforce culture. According to Morton (2005), TM also serves as a basis for attracting workers towards the organisation. Accordingly, the mix of these issues has become an essential determinant of accomplishment and an indispensable concern of an organisation (Hughes, 2008). After the 2008 worldwide monetary emergency, for example, some companies chose to decrease their expenses in respect of developing skills within the workforce to become more efficient. Numerous organisations started to contribute to the

development of long-term techniques by recruiting and establishing TM skills and adopting coordinated TM advancement methodologies. Thus, such an all-around arranged technique can assist with meeting organisational challenges and leading business towards the victory (Poorhosseinzadeh & Subramaniam, 2013).

An effective TM strategy can value and improve the knowledge management in organisations (Whelan & Carcary, 2011). According to McDonnell, et al. (2011), most of the 'upper hands' are implicit by nature; talent is inherent in individual activity and experience that is difficult to reproduce, formalise, or spread within an organisation. Accordingly, workers' information, abilities and capacities should be supported and perceived as an imperative wellspring of 'upper hands' (Collings & Mellahi, 2009).

Although the importance of TM to an institution's success is overlooked by many organisations, the survey carried out by CIPD in 2010 indicates that companies are placing more importance on TM, aimed at information creation, sharing and maintenance. Thusly, they will have a better understanding of the relationship between TM and knowledge management, which will improve prospects for business success (Whelan & Carcary, 2011).

In this new competitive business atmosphere, organisations should be clear about the requirement to ensure that a reasonable number of abilities are spread across the workplace to prosper, but should also exercise the option to consider and deal with ability and manage talent

effectively. As per Williamson (2011) these double activities are the most basic issues that can decide the achievement or disappointment of a company.

TM and the organisations and Issues

According to Neill and Heinen (2004), an effective organisation consistently pays attention to attracting, retaining, and improving the ability and talents of its employees. This, in turn, helps the organisation to define its strategy to ensure that plans take talented employees into account. If the organisation becomes unsuccessful in the utilisation of human capital, business decay is likely to result (Anwar, et al., 2014). Due to the swiftly moving, dynamic and exceptionally competitive global business sectors, organisations all over the world are making significant judgments and confronting difficulties in global TM (Schuler, et al., 2011). Gupta (2006) maintains that in companies worldwide, each business must be prepared for satisfying the future business needs by dealing effectively with TM. Consequently, TM is becoming a critical indicator of business performance (Ifeoma, et al., 2015).

As indicated by Scullion, Mullholland and Zaharie (2020), there are some issues that employers experience while supervising ability and potential in the work environment. It has become hard to retain and attract the workers and recruit possible candidates in the current climate. Limited variety is a significant issue in the working environment, which influences the possibility of retaining employees. Different workplace cultures improve

prospects for development and urge individuals to develop innovative ideas. Low social variety or ineffectual management procedures impact negatively on TM, as it prompts low inspiration among the employees. Absence of convincing leadership is another significant factor in managing skilled employees, as new recruits should be guided and prepared to develop their abilities and supported in their efforts to improve performance (McNulty & Cieri, 2016). Another issue in the current business situation is the highly competitive rivalry for gaining the best potential employees. All organizations need to employ talented contenders to expand competitiveness and, to achieve these objectives, offer worthwhile packages and advantages for attracting talented applicants. This provides talented employees with opportunities for changing occupations. Moreover, it adversely impacts upon a company's turnover rate, which may result in low performance in the organisation and deferral in the work cycle. Unappealing society resulting from insufficient talent at executive level is another issue, as a work culture, characterised by low cooperation and clashes, is likely to debilitate individual performance and result in inadequate TM (Scullion, et al., 2020).

Building up an inventive workplace characterised by an effective approach to TM, which strengthens positive links between employers and employees should create a more effective organisation. An inventive work culture can urge employees to expand their abilities and potential, which, in turn, should upgrade the effectiveness

and commitment of the general labour force, by improving communications, strengthening cooperation, and securing worker commitment to improving performance. Moreover, the HRM group can set out the requirements and job specifications for applicants, in addition to planning job roles, compensation, and other recruiting components. This methodology should attract applicants to join and remain with the organisation (Aminudin, et al., 2017). Creating and preparing programs with powerful objectives and techniques for examining and controlling the work force is extremely important in persuading employees to expand existing skills sets and talents. Impact preparation will motivate employees to build upon existing abilities within the company and improve its prospects for success. (Mahfoozi, et al., 2018).

Workforce engagement and TM

In respect of workforce engagement, commitment is an essential component. A committed worker is less likely to leave the company and, therefore, by pulling in and retaining ability, the company is able to construct a more effective information base and to gain a competitive advantage over other organisations (Albrecht, et al., 2015). In Kahn's view (1990), worker commitment requires the presence of three inter-related conditions – significance of work, social and hierarchical security, and accessibility to company management and values. Powerful talent deployment and harnessing are important advantages associated with securing worker commitment.

Worker commitment is demonstrated by interest in development, eagerness in the working environment, profitability, responsibility, effective conduct, and better results as a rule (Pandita & Bedarkar, 2015). Improved conduct emerges out of the certainty that workers are keen on performing well in their positions. They share a conviction that their work impacts positively upon the company's results. Their conviction, which is instrumental, lies in the belief that how they lead themselves and work together will provide the incentives for the company's success (Albrecht, et al., 2015).

Creating competitive advantage by properly utilising TM

Stage One: Pulling in Talent

Ability Planning: Organizations through HR Professionals estimate deliberately the organisation's workforce needs, the range of abilities and capabilities required, fit with the company culture, and supply in respect of the labour market.

Recruitment: The organization attempts to recruit applicants whose skills and qualifications map on to the Ability Planning exercise previously undertaken by HR Professionals. Positions are advertised internally and externally, to provide opportunities for workers already in the company to apply for another position.

Selection: Candidates are shortlisted, tested and interviewed to determine the individual best suited for the position, using a variety of methods. The ultimate choice should be done cautiously to

limit dangers inherent in selecting someone who does not meet fully the requirements set out in ability planning.

Induction: The company sets out clear expectations for each new employee and provides details about the role. It is significant for each new worker to understand details about their new position and how it fits in the company structure.

Stage 2: Developing Talent.

Appraisal/Performance Review: This cycle is done to assess the employee's performance. One approach to evaluation is competency by targets (CBO).

Ability planning: Ability planning is assessed continuously to estimate the strengths and weaknesses of employees in their daily work environment and, also to provisionally assess future potential with respect to TM.

Improvement through development planning: As a consequence of Ability Identification and planning, HR Professionals in the Organisation know the current ability levels of every worker and, on the basis of findings, are able to make positive recommendations for development needs that will align with the organisation's current and future plans for workforce improvement.

Stage Three: Retaining Talent. Some important steps are:

Career arranging: To retain talented employees, the organisation must balance its own requirements with the requests, wishes, and capabilities demonstrated by each worker with respect to future prospects for advancement within the company.

Progression arranging: The idea here is that the workforce will be structured in such a way that no key positions will become vacant, solely because of a talented employee's unplanned departure. Under succession planning, other talented employees should be able to carry out role requirements in the short or medium term, or at least until the post can be advertised.

General Problems in Managing Talent

According to Vaimen et al., (2012), although firms will in general perceive the significance of TM, they frequently neglect to oversee it successfully. In Green's view (2008), clarity about issues that occasionally bring about incapability are given low priority in TM wording. Organisations need to engage in more conversation about what is really needed to establish TM in their respective companies. Another issue is talent loss brought about by poor communication between administrators and staff members and the lack of attention paid to basic issues and potential answers for drawing in talent. At times, for example, almost every company has understood their specific selling strategy, but this has not been understood from the viewpoint of the workforce. Another problem which Green (2008) mentions is the crucial role of the line manager in

initiating and overseeing improvement procedures.

Scullion and Collings (2011) claim that limited theoretical and scholarly research is also an issue in respect of TM. Lack of clarity about the objectives of TM is a testing factor for any company (Bethke-Langenegger, et al., 2011). The topic of how to characterize, recognize, create, and oversee ability still remain unanswered (Nilsson & Ellstrom, 2012). Companies cannot stay serious if they cannot pull in, create, and hold skilled laborers. This implies that TM is an essential factor that should be taken seriously by any company.

Conclusion

A superior organisation is normally upheld by a proactive and methodical HR and talented senior executives. Consequently, every company needs to have a deliberate plan in respect of developing, implementing and encouraging effective TM practices. Although HR professionals can coordinate pulling in, creating and retaining talented employees, it is up to an organisation to identify the factors required to recruit workers that meet the needs of the company and to provide opportunities for development that will encourage them to continue to contribute to the company's success over time.

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