

Developing Competencies Through Talent Management Strategies



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Abstract:

In a hyper competition environment, organisations need people possessing requisite skills, capabilities, expertise and knowledge. They require talent in order to deliver excellent results. Talent management ensures that organization have the quality of people in place to meet the current and future organization needs. Talent management is defined as the system of acquisition, development and retention of competent employees for the achievement of the organizational goals. Talent management implies recognizing a person's inherent skills, traits, personality and offering him a matching job. Talent management is primarily about identifying developing and using those people who can provide those critical intellectual-energy ingredients. Talent management is the science of using strategic human resource to improve business value and make it possible for companies and organisations to reach their goals. Everything that is done to recruit, retain, develop, reward and make employee perform is a part of talent management.

Key words: Competitive Environment, Retain, Traits, Succession Planning.

Introduction :

In a competitive environment, organisations need people possessing requisite skills, capabilities, expertise and knowledge. They require talent in order to deliver excellent results. Unfortunately, talent is a scarce resource in the present day world and hence requires careful planning. Talent management refers to the skills of attracting highly skilled employees, of integrating new recruits and developing and retaining current employees to meet

present and future organization goals. Talent management ensures that organization have the quality of people in place to meet the current and future organization needs. This process covers all important aspects of an employee's life cycle – selection, training and development, succession planning and performance management. Talent management is defined as the system of acquisition, development and retention of competent employees for the achievement of the organizational goals(Rajen Mehrotra,2011). If the organization visualizes a high growth, then it obviously needs to either generate talent in house or get talent from outside. Talent management is primarily about identifying developing and using those people who can provide those critical intellectual-energy ingredients. In the successful talent management is high level of focused innovation, improved staff management, commitment and sustainable commercial competitiveness. "Employers of all sizes and in all sectors will need support and guidance on maximizing the benefits of adopting talent management." Talent management encompasses the set of management practices and processes that support employee performance, development and recognition, throughout the employment life-cycle, from hire to retire. Talent management includes the things like job descriptions, goal setting, performance evaluation, competency assessment, employee development, compensation management, succession planning etc. Good Talent Management = Better Business Results. Good talent management formalizes the practices that ensure employees have what they need to be engaged and productive. It includes the setting of SMART (Specific, Measurable, Achievable, Relevant, Time-bound) goals, the identification, assessment and development of competencies important to the role as well as to the organization and the assignment of development plans to expand knowledge, skills and experience(activegarage.com).

Strategic Talent Management:

Talent management refers to the anticipation of required human capital the organization needs at the time then setting a plan to meet those needs. Talent management is the science of using strategic human resource to improve business value and make it possible for companies and organisations to reach their goals. Everything that is done to recruit, retain, develop, reward and make employee perform is part of talent management. Organisations that engage in talent management are strategic and deliberate in how they source, attract, select, train, develop, retain, promote and move employees through the organization.

Companies engaging in a talent management strategy shift the responsibility of employees from the HR department to all managers throughout the organization. In general, employees use the business model as a foundation upon which to define strategies and ultimately it is employees who are the catalyst that take the strategies of organization and implement them successfully. Talent management is the strategy that drives the specific events that people experience in the workplace (reliableplant.com). It describes the following things:

•Recruitment and Selection:

Talent management is a part of talent screening. Once the screening is over, selecting the right person becomes easier, as the organization comes to know the expected talents towards the organization in terms of position, salary, work culture and future prospects. Human resource management should implement proven talent selection systems and tools to create profiles of the right people based on the competencies of high performers.

•Performance Management:

Every organization has top performers, the employees who are head and shoulders above their co-employees in terms of the value they bring. Finding and keeping those people, and helping them grow in their careers, is a major challenge(adp.com). Talent consists of those individuals who can make a difference to organizational performance, either through their immediate contribution or in the longer term by demonstrating the highest levels of potential.

•Succession Management and Leadership Development:

Effective organisations anticipate the leadership and talent requirement to succeed in the future. Leadership understands that it's critical to strengthen their talent pool through succession planning, professional development, job rotation and human resource planning. They need to identify potential talent and groom it. Leaders with a talent mindset roll up their sleeves and make talent for their job; they continuously create, champion, and give new ways to booster talent. They ensure that the link between business strategy and talent requirements is forged. They hold themselves and leaders at all levels of the organization accountable for the strength of the talent pool.

•Talent Acquisition:

Money is essential in the talent acquisition quest, but it's not the only element. Strategic talent acquisition takes a long-term view of not only filling positions today, but also using the candidates that come out of a recruiting campaign as a means to fill similar positions in the future(Sanjeev Sharma,2007). The organization should form its talent acquisition objectives and stay focused on realizing the organizational vision. The process of strategy building is scheduled after the objectives are set.

•Retaining Talent:

Employee retention is a key component of an effective organizational talent management strategy. In the current climate of change, it's critical to hold onto the key people. These are the people who will lead the organization to future success, and you can't afford to lose them. The cost of replacing a valued employee is enormous. Organisations need to promote diversity and design strategies to retain people. The adoption of the following strategies could help in retaining employee; treating employees more like partners, providing a better work – life balance, and promoting a sense of higher purpose.

•Talent Mapping:

Organization should perform talent mapping, which is all about identifying the long-term talent profiles of the people needed within the organization and then identifying from where and how these can be acquired(Shulagna Sarkar,2006).

•Attracting and Nurturing Talent:

Attracting and nurturing talent has become the single most dominant force. Today attracting brains is most difficult function. However, talent is what will make India enduringly competitive. Strategies are to be framed for overcoming talent shortages. In the words of Anil Ambani “Talent is footloose and youth will seek a better quality of life wherever and whenever. A rightly managed talent turns out to be a gold mine. It’s inexhaustible and priceless. It will keep supplying wealth and value to the organization”. In turn, management needs to realize it’s worth, extract it, polish it and utilize it. Don’t hoard. Talent – spend it lavishly, like a millionaire flashing his luxuries, because talent is wealth. Some companies have an extraordinary flair to recruit and retain highly capable employees. These companies are known as talent magnets. Companies like Infosys, TCS, IBM, Mahindra Tech and Wipro etc., have got a brand name and thus it is easier for such companies to attract talents. Employees desire to feel proud of their employer and believe that they are the part of an organization that produces world-class products or delivers world-class service. There is a run of talents for the brand. Talents are always attracted to brands, as the organizational culture of such companies is suitable to work with.

•Recognize Talent:

Notice what employees do in their free time and find out their interests. Try to discover their strengths and interests. Also, encourage them to discover their own latent talents.

•Align Organizational and Individual Goals:

Each and every individual has some talent but in organizational term talent is more related to job profile or the vacancy. Talent is an attribute of high mental and artistic ability with special aptitude. Effective talent management helps you align your employees by tangibly linking each employee’s goals to the organization’s higher-level goals, mission and values. This gives every employee must needed context for their goals and helps them how their work directly contributes to organizational success.

•Talents’ Identification:

Talent management practices help employees to more objectively and accurately identify high-potential and

high-performing employees and then challenge, reward and develop them, so they remain happy, engaged and loyal to the company.

•Change Organization Culture:

Change is the only constant; the rate of change on the inside is driven by people, for people, affectionately known as employees(deepervibes.net). If the organization wishes to substantially strengthen its talent pool, it should be prepared to change things as fundamental as the business strategy, the organization structure, the culture and even the caliber of leaders in the organization.

•Compensation and Benefits:

Clearly this is an integral part of people management. Here organizations try to tie the compensation plan directly to performance management. So that compensation, incentives and benefits align with business goals and business execution.

Developing Competencies through Talent Management:

Talent management is usually associated with competency based management. Talent management decisions are often driven by a set of organizational core competencies as well as position-specific competencies. The competency set may include knowledge, skills, experience, and personal traits. The new techniques involve creating competency architecture for the organization that includes a competency dictionary to hold the competencies in order to build job descriptions. Integrated talent management practices use competencies as the foundation for job descriptions, performance evaluation, development activities and succession plans and foster their continued development. In this way, they help your organization ensure its competitive advantage. Talent refers to actual and potential employees for whom competition is strong because such individuals have knowledge, skills, experience and abilities which are in high demand and low supply. Talent is no longer seen as simply associated with high demand and low supply skills. It is now viewed as a quality that any actual or potential employee can possess, and which can be used to add value to individual, team and organization performance. Talent denotes personal qualities which enable on individual to make a difference to organizational performance.

The organization should follow a screened process to make these selected talents to mould to the requirements of the organization by giving technical and non-technical skill input and development needed for achieving the organizational goal. A continuous and periodic process of monitoring, reviewing and informing the overall talent development process is maintained.

Talent Management Process:

Talent management key components of a highly effective talent management process include:

- A clear understanding of the organisations 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 designed to close the talent gaps.
- Accurate hiring and promotion decisions.
- Connection of individual and team goals to corporate goals, and providing clear expectations and feedback to manage performance.
- Development of talent to enhance performance in current positions as well as readiness for transition to the next level.
- A focus not just on the talent strategy itself, but the elements required for successful execution.
- Business impact and workforce effectiveness measurement during and after implementation.

Organisations are made up of people; people creating value through proven business processes, innovation, customer services, and many other important activities. As an organization strives to meet its business goal, it must sure that it has a continuous and integrated process for recruiting, training, managing, supporting and compensating these people. The following factors the talent management process:

- Human resource planning
- Recruitment

- On boarding
- Performance management
- Training and performance support
- Succession planning
- Compensation and benefit
- Critical skills gap analysis

Human Capital Management and Talent Management:

Talent management refers to the skills of attracting highly employees, of integrating new employees, and developing and retaining current entertainers. The process of attracting and retaining profitable employees, as it is increasingly more competitive between firms and of strategic importance, has come to be known as 'the war for talent.' Talent management is also known as human capital management (HCM). The mindset of this more HR approach seeks not only to hire the most qualified and valuable employees but also to put a strong emphasis on retention. The major human capital management functions in the modern organizations are basically 3 Bs.

•Buying Talent:

Buying talents are basically recruitment of employees, which is the primary activity that accounts for the maximum time spent by the HR staff because of the high employee turnover in this kind of organizations.

•Borrowing Talent:

It is essential to understand and draw an inventory of the talents available within the organization. The skills of each individual are being posted in book knowledge in shape of skill set. In this process, the organizationally available talents are being captured and stored.

•Building Talent:

Because of the fast changing business process, building of the existing challenge is of paramount importance to avoid people getting absolute. Some of companies that spend the most on employee training and development outperform those that spend the least (Biswajeet, 2005).

Talent Marketplace:

A talent marketplace is an employee training and development strategy that is set in place within an organization.

Competitive business environments have compelled the organization to think speedily to innovate and excel for their survival. Corporations need to shift from capital centered economy to human centered economy. As competitive pressure grows, organizations must have the right people in place and must be clear about how this is approached and measured. At the moment, talent management means different things to different people. The driving force behind the growth the talent management is the need to retain staff. Here loyalty and job security were once expected to cement relations between employees and employer this can no longer be relied on and talent management has to take its place. Smart employers know that helping employees to manage their career progress will help them to keep good people.

War for Talent:

In 1997, consulting firm Mc Kinsey coined the term “the war for talent”. Having great managerial talent has always been important, but now it is critical. In today’s competitive knowledge-based world, the caliber of a company’s talent increasingly determines success in the marketplace. At the same time, attracting and retaining talent is becoming more difficult, as demand for highly skilled people outstrips supply. The war for talent will persist for at least the next two decades. The forces that are causing it are deep and powerful. The war for talent is a business reality. A few companies are realizing this and are revolutionizing their approach to talent management. The war for talent hence has become a reality. Every organization is today trying to deal which constant shifting demands of work force expectations, which is growing younger by the day. The winner in the battlefield for talent will be the one who is able to balance the cost of acquiring talent with that of retaining talent.

Now a day, country progressed from the industrial age to the information age. The value of herd assets has declined relative to the value of a company’s intangible assets – assets such as proprietary intellectual capital, winning brands, and innovative ideas, underpinning all of these intangibles is talent. Better talent is what will separate the winning companies from the rest. Strong talent in key positions creates huge improvements in performance. At the same time, the market for talent is the most competitive it’s been in decades. Demand for business leaders and other highly skilled employees are growing rapidly in response to the unprecedented opportunities and challenges. Therefore, the availability of talent is constrained.

Talent management implies recognizing a person’s inherent skills, traits, personality and offering him a matching job. Every person has a unique talent that suits a particular job profile and any other position will cause discomfort(S. Preethan,2007). The war for talent will primarily be waged on the basis of the realization among employers that high-performing employees will be a key to have competitive advantage(Sanjeev Sharma,2007). The forces of the war for talent add up to a fundamental shift in the business environment, requiring companies to radically adjust the way they manage people. Companies that are leading the way execute against five talent management imperatives. They are;

•Install a talent mindset at all levels of the organization beginning with senior management:

A talent mindset is the deeply held belief that building a strong management talent pool is critical to achieving the aspirations of the company.

•Creating a winning Employee Value Proposition (EVP) that brings scarce talent through the doors and keeps them there:

Company carefully shapes its value proposition to customers; it should also deliberately craft the value proposition to its people. The EVP answers the questions “why would a talent person want to work here?” although winning EVPs are designed to appeal to the needs of specific talent segments. They share the following elements such as; exciting work, great company, wealth and reward, growth and development.

•Recruit great talent continuously:

Companies must always be on the prowl for top talent. They need to have a keen sense of who they are looking for, and do their looking in new ways and in new places.

•Grow great leaders:

It means deliberately giving them job challenges that push the bounds of what this thought themselves capable of. At the same time it means providing the life preservers for succeeding at ‘stretch’ opportunities.

•Differentiate and affirm:

The leading companies conduct clear – eyed assessments of their talent; they differentiate in how they invest in their top performers and low performers.

Talent Management - The Challenges :

Human Resource Professional's point of view, the biggest challenge faced by their organization is attracting, identifying, retaining and replacing talent (Rajen Mehrotra, 2011). The challenge is not only to acquire the best available talent in the market but also to resourcefully manage that talent.

•Talent is to identify individuals that have high potential and are also high performers. Entrepreneurship is especially attractive to a young workforce, which thrives on challenges and excitement. In India attrition rate in IT companies is even higher, because the organization not only lose their valuable resources horizontally but vertically also. Most companies have experimented with various strategies to retain these employees who are considered an asset. A competitive compensation, often through retention bonus and especially an aggressive ESOP plan that need earnings locally comparable with international earnings rate, was seen to be the most successful retention strategy.

•Succession management is at the foundation of the strategic and long-term organizational viability – aligning talent with business strategy of the organization would enhance the prospect of delivering both the short and long-term objectives in a systematic and stable environment with low risk in the transition procedure.

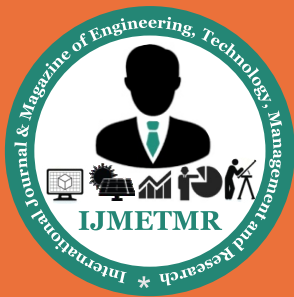
•The engagement has two components namely, rational engagement and emotional engagement. The rational engagement means the involvement, understanding and motivation of an employee in the job. The emotional engagement constitutes the attitudinal attachment of an employee to the company and the source of pride.

•Talent management usefully is conceived as an organization through which individuals pass. The starting point of the organization is attraction - making and showing the organization to be a desirable place to work attracts to apply is only the start. Attraction also requires an effective means of selecting talent.

•The identifying talent is to look inside the organization among existing employees. Talent is not only 'out here'. It is also 'in here' encompassing existing as well as new employees. But many organizations fail to look internally and so talent and potential is often wasted, and then lost. Talented individuals who are not identified, nurtured and developed will invariably leave. This is the main important purpose of identifying talent. "Identifying talent needs to have a wide scope if economic returns from talent management are to be maximized." An additional and often neglected focus for identifying talent is in the wider external job market. Too often the temptation is to seek to attract those already in similar employment with competitors.

Conclusion:

In today's business, employees are the key differentiator and getting the right type of talent, in time and retaining them has become the primary focus of almost all organisations. Becoming a beacon to attract has become the secret ambition which has spurred organisations to take note of how they are perceived by employees, both current and prospective. Organisations have started adopting various novel ways of becoming attractive the best talent. For decades organisations with good reputation have attracted the best talent even though some may have been somewhat conservative in their approach to remunerating employees. Some organisations that do not have a history of adhering to high ethical standards have resorted to provide unusually high monetary incentives but their track record of retaining quality talent has been uniformly low. The main important characteristic in a preferred employer is the organization's ability to provide a challenging work environment where employees feel that besides contributing, they are also learning and adding value to themselves. This characteristic has become a beacon to high quality talent. In the present scenario the problem arises in recruiting talents and retaining them. Organisations aim to be different from others. Now is the era where it is a high time that the all organisations start thinking on creating a well developed organizational culture and this is because talents are attracted to talent magnets. HR Professionals must be observing the needs of each and every individual. Each talented individual is motivated by different factors and requirements. HR Professionals should spend time to listen to each and every employee and determine what are the factors motivates them. They should discuss with the employees and find out the good paths to fulfill their needs while maximizing their contribution to the organization.



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