Talent Retention Management in Corporate Sectors
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Abstract: As changing demographics have inexorably alerted the business landscape, it is generally accepted that the organisations are currently dealing with the daunting task of replacing knowledgeable and talented workers. The consensus is that there has become a shortage of talent in the workforce and that the companies will have to actively wage war for talent in order to get the right people with the right skills into their organisations. Talent management is complex and is continually evolving. Influenced by external factors such as the economy, global expansion, mergers and acquisitions, critical success factors for effective talent management include alignment with strategic goals, active CEO participation and HR management.

Keywords: War of talent, Talent Pool, Strategic Goals, High potential employees, Game changer etc.

I. Introduction
Talent, in general parlance, refers to a natural recurring pattern of thought, feeling or behaviour that can be productively applied. Talent is natural and innate but knowledge and skills need to be acquired through learning and practice. Talent enlarged with skill and knowledge leads to individual strengths (Buckingham & Clifton, 2011). The term talent management is an extension of the word talent and includes the entire gamut of activities and steps that organisations undertake to retain talent-worthy individuals. INSEAD research suggests that companies that excel at talent management ensure internal consistency, complimentarily, and reinforcement of practices they employ to attract, select, develop, evaluate and retain talent (i.e., “Internal fit”). In addition, these practices align closely with the corporate culture (i.e., “cultural fit”) and link to the business strategy and long term goals of the organisation (i.e., “strategic fit”). A high degree of internal, cultural and strategic fit creates an inimitable system of practices and not only drives excellence in talent management but also contributes to organisational learning and knowledge management.

Broadly defined, talent management is the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved process of attracting, developing, retaining and utilising people with the required skills and aptitudes to meet current and future business needs. HR personnel generally feel that retaining key employees is vital to the health and profitability of their organisations and they overwhelmingly believe that effective talent management will pay off in the long run for their organisations. McKinsey & Company’s “War for Talent” study (Chambers et al., 1998), which drew wide spread attention to a rising demand for talent-intensive skills that outpaces supply in many industries and markets. In this context, the term “talent management” came to appear synonymous with human capital management, implying that companies are strategic and deliberate in their efforts to source, attract, select, develop, promote, and move employees through the organisation (Ingham, 2007). Companies around the world have made talent management a top priority, and therefore such activities are marked by a relatively high degree of sophistication. Yet, few HR professionals, senior executives, and line managers appear to believe that their organisations have fully solved the talent management puzzle. Talent management has become one of the most important and one of the essential roles of the HR buzzwords in corporate HR and training today. Right talent is the greatest asset for any enterprise and one of the essential roles of the HR is to make sure that the employees with the right skills stick with the company for long enough. The issue with many companies today is that their organisations put tremendous effort into attracting employees to their company, but spend little time in to retaining and developing talent.

Today, the concept of talent management continues to be adopted as more companies come to realise that their employee’s talents and skills drive their business success. In addition to this, it has come to be established that employee retention is more cost effective than hiring (The Deloitte millennial survey, Jan 2014). Talent management is not merely a process of managing physical human bodies or disparate human resource management processes and systems, but rather an integrated and comprehensive approach to managing the
abilities, competencies, skills, needs, concerns, careers, fears and expectations of the people that an organisation values and needs to make it great and highly effective. Talent management practices are beyond filling positions and managing paper recruitment process. It involves process consulting which includes forecasting, openings and needed resources, using assessments for selection and development, placing employees into appropriate projects, planning for and measuring the return on investment of personnel programs, utilizing technology advancements. Offering enormous business value.

Talent retention is of critical importance for companies shifting from start-up to fast growth. Keeping the best people closest to the organisation’s core competencies as they must selectively identify and retain the people who are essential to their “growing forward” business model( Zingheim, P K, Schuster, J R and Dertein, M. G.). Broadly defined, talent management encompasses the instrumentation of unifying strategies or processes in order to enhance the output of a workplace by deploying ameliorate systems and processes for attracting, development, retention and utilisation of required skills and abilities of work force and their aptitude matched with the current and the upcoming business needs (Schehar Bano et al, 2011). Talent management needs to continue to train and develop high performers for potential new roles, identify their knowledge gaps, and implement initiative to enhance their competencies and ensure their retention (Cairn, 2009).

II. Literature Review

Organisational leaders must develop a learning organisation that will continue to allow the employee to develop self, deploy a performance management system that is fair, transparent and allow for continuing coaching and feedback, create an environment that allows for leadership development through succession planning, and use all means to retain employees (Kaliprasad, M. (2006). Talent management has been seen to generally revolve around putting the right people with the right skills in the right position at the right time. Effective talent management involves a perpetual journey toward consistently higher levels of performance efficiency, a process that helps employers succeed by staying ahead of the curve of an ever-changing business environment (Hay Group 2009).

Deloitte Research (2004) is one of the pioneers to recognise the importance of talent and developed a framework for talent management. According to this framework “Develop-Deploy-Connect” model should be at the core of an organisation’s talent strategy. Only a talent resourcing process that is well defined and well-executed from start to finish yield consistent and compliant results which will in turn yield a competitive advantage in the war for talent (Ronn, 2007). Workplaces everywhere are obsessed with employee engagement. Engaged workers are more productive, perform better, motivate others and, perhaps most importantly – stay. In today’s economy, 50% of domestic product (GDP) in developed economies is knowledge based, which is centered on intellectual assets and intangible people skills (Dess C.G. and Picken J.C. (1999). These changes have lead organisations to develop a highly integrated approach to talent management as a necessity to ensure productivity, profitability and sustainable growth over time (Perrine P. (2005).

According to Price (2007), talent management is a strategic and integrated approach to developing a skilled and competent workforce, involving targeted recruitment, development and retention. Heinen and O’Neill (2004) argue that every organisation has a talent management system whether it is by default or design and Companies need to understand whether their implicit talent management system is functioning as intended and is helping support the Company’s key priorities, goals and capabilities. According to Dessler (2011), talent management requires coordinating several human resource activities, in particular workforce acquisition, assessment, development, and retention.

In an environment of rapidly changing technology, mergers and acquisitions, and corporate downsizing (which means diminished trust between employees and employers), workers trade security for flexibility, embracing the concept of “boundary less careers” and “free agent learners” (Arthur & Rousseau, 1996) are newly added dimensions. Increased IT capacity and decreased travel costs also make talent more mobile, which means companies compete internationally for the best employees (Barlett & Mclean,2006). In addition, global companies must balance the tension between effective decision making and implementation at the local level versus standardised systems and processes at the global level. These companies thus achieve a competitive advantage not solely because they design and implement “best” practices but rather because they guarantee the various elements of their talent management system are aligned – internally, externally and globally – to support their business strategy and operating model (Evans, Puclik & Barsoux, 2002).

The continuous process of developing a talent pool and using talent inventories for both selection and succession purposes reflect common best practices. In most companies, high potential employees receive formal training, mentoring, and job rotation. Unilever, the British-Dutch consumer products group, includes 15% of employees per management level in its high potential list each year and expects these people to move to the next management level within five years. On the contrary, INFOSYS limits the number of high-potential employees it identifies to avoid inflated expectations that may lead to frustration, lack of productivity and ultimately loss of talent. Talent management is the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved process of attracting, developing, retaining and utilising people...
with the required skills and aptitudes to meet current and future business needs. HR personnel generally feel that retaining key employees is vital to the health and profitability of their organisations and they overwhelmingly believe that effective talent management will pay off in the long run for their organisations. Organisational strategies and talent management strategies will continue to be driven by work-force trends such as an increasingly global and virtual workforce, different generations working together, longer life expectancies and an empowered and autonomous workforce that have forever changed the work place. Because many employees desire a healthy balance between their personal and professional lives, many companies now offer flexible working arrangements and other work-life balance practices to compete for the best talent and retain high-potential employees. Accenture’s work-life balance programme, initially designed to address the specific career challenges facing women but later made available to men as well, includes options such as flexi-time, job sharing, telecommunicating, ‘fly-backs’ for people working away from their home location, and other arrangements to help employees achieve a better balance (Stahl & Bjorkman, 2005). Business survival depends on speed and continuous self-renewal, and talent is central to the operation of any company. A complex economy that demands more sophisticated talent, new skills and expertise at all levels of the organisation (Cappelli,2008), and fundamental changes to how companies respond to the imperatives of new technology and globalisation (eg. Barlet & Ghoshal, 2002) poses major challenges to the effective management of talent, because it requires both a larger supply and new kinds of managerial and professional skills.

III. Discussion & Conclusion

There are four characteristics that set talent management apart from traditional human resource processes; taking a talent management approach recognizes that in a competitive world, acquiring, developing, and retaining talent are critical tasks; an effective talent management process should integrate the underlying talent management activities such as succession planning, recruiting, developing, and compensating employees; talent management is goal directed and the aim is to align the employees’ efforts and the firm’s talent management activities with the Company’s strategic goals. All management functions must be effectively integrated with the latest information technology tools and solutions. Recruitment practices in most companies follow a talent pool strategy: the company recruits the best people and then places them in to positions rather than trying to recruit specific people for specific positions. Retaining top talent was less of an issue in the past, but the shifting tides of the unspoken employee/employer contract have created new currents in the work place. The new contract is substantially different. It states that employees must work now harder, doing not only their job, but the jobs of their former co-workers who were “right-sized”. Business survival depends on speed and continuous self-renewal, and talent is central to the operation of any company. The way an organisation manages its talent can be a game-changer for the organization as business owners and shareholders comprehend the link between keeping the best talent and achieving the best results.

Companies need to align business strategies with Talent management practices that will engage and develop the right individuals, because having the right competencies, skills and experiences are the key to competitive differentiation and success as a market leader. A synthesis of all views reveals that talent management is an issue of wider canvas and can be equated to perception, mindset, goals and priorities. The concepts of the talent management Environment are complex in nature yet inter-related.

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