

Global Trends in Talent Management - A Study

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Abstract

Talent management refers to the anticipation of required human capital for an organization and the planning to meet those needs. Talent management is the science of using strategic human resource planning to improve business value and to make it possible for companies and organisations to reach their goals. Everything done to recruit, retain, develop, reward and make people perform forms a part of talent management as well as strategic workforce planning. A talent-management strategy needs to link to business strategy to make sense. This implies that companies are strategic and deliberate in how they source, attract, select, train, develop, retain, promote, and move employees through the organization. In adverse economic conditions, many companies feel the need to cut expenses. This should be the ideal environment to execute a talent management system as a means of optimizing the performance of each employee and the organization. Selection offers are large return on investments. Job analysis and assessment validation help enhance the predictive power of selection tools. However, within many companies the concept of human capital management has just begun to develop. With more companies in the process of deepening their global footprints, more questions have been asked about new strategies and products, but very few on the kind of leadership structure that will bring them success in their globalization process. "In fact, only 5 percent of organizations say they have a clear talent management strategy and operational programs in place today." The present article deals with the significance of talent management in today's competitive business scenario and the trends followed by the company in sustaining the talent.

Introduction

The role of human resources within the corporate structure has changed dramatically over the years. HR departments focused solely on personnel functions like hiring, payroll, and benefits until changes to corporate culture in the 1980s introduced the concept of strategic HR. Human resources departments then became involved in overall business strategy like organizational development through training, leading corporate communications, and developing total compensation systems. While HR departments continue to focus on these strategic goals, there has been a recent shift toward "talent management." Talent management introduces new strategic goals to streamline hiring and leadership succession processes using the employee lifecycle model. Using the employee lifecycle model, HR guides employees through each stage

of their career with the company from competency-based recruitment to career development, through termination/transition. During each phase, HR strives to measure and manage employee performance through training, feedback, and support. Talent management is a key component to business success in the current economy as it allows companies to retain top talent while increasing productivity.

Unleashing & Nurturing the Infinite Potential of People

Human Resource Management is about unlocking the infinite potential of human beings. It is about knowing your people really well, understanding them, helping them realize their goals and self-worth. These combine together to give an organization its true strength, its true character. Human Resource planning takes into consideration existing human resources, their adoptability and the possibility of their development. Harnessing their creative potential can pay rich dividends. Human Resource Management is about strategizing, managing and executing roles. A human resource is one which can be taken as an input on which there is processing of training and development ensuring full motivation to produce the desired output: a highly motivated and enthusiastic work force contributing in every aspect of organizational framework. To develop talent that works towards success, one needs a detailed and effective plan.

The resource of endless possibilities, the inimitable reasons behind revolutionary ideas, the factor that causes astounding action and the treasure that when harnessed leads to soaring heights is quite simply- the employee. Indeed, companies do recognize the significance of developing the employee with human resource planning. Talent is the key factor that translates into a comparative advantage for the firm, which provides the leverage to take the company to another new level, a dimension where machinery and products are futile for it is the idea that has power.

The ideas of power, the action of dedication, however, often go untapped, not being recognized and developed or simply being slotted into an ineffectual development program and hence become a resource lost for the company. To harness talent, let ideas emerge, and to use the human resource to maximum capacity and in the right direction requires coherent, systematic and most importantly suitable planning. An HR plan reduces uncertainty by anticipating needs and working towards desired consequences in advance. There is a huge gap between demand and supply of manpower and in that case, talent development is a must to face and bridge this gap. And as talent is developed, it must be ensured that there is talent management too to prevent attrition of creative minds.

An overview of simple ways to recognize and develop talent:

- Assigning tasks of various nature
- Observation
- Feedback on performance

- Recognizing talent in area of exceptional performance
- Dialogue with the employee regarding his/her interests and past achievements which could be beneficial for the organization

Why Talent Management is Essential for Businesses

Talent management is defined as the strategies and practices needed to identify, develop, attract and retain skilled workers of value to an organisation. The process of selection and development can be transparent or secret. A growing number of organisations are seeing the sense in adopting a concerted and holistic approach to retaining and developing their key staff. This means dovetailing:

- Creation of planned development opportunities
- Performance management
- Development and assessment
- Succession planning
- Recruitment.

Even if the right talent can be recruited, retention depends on creating a climate in which top talent wants to stay and develop and use its skills.

Development is a vital part of successful talent management and internal and external development assistance is frequently sought. If the skills are right, L&D professionals can play a critical role in integrating L&D into a successful, total business strategy. Often the remit for managing talent lies with talent management specialists or the HR department. The L&D professional has an important role to play in identifying the learning need, encouraging high potential individuals to take ownership for their own development and ensuring line management plays a full part in the process.

Each organisation has different methods for identifying talent. In our opinion, a key criterion should be the individual's ability to learn and develop. Many organisations use development centers to help identify people's key attributes, competences and areas for development, while giving them a sense of having an input into their future. In our experience, it is essential that each person on a talent management programme has a personal coach to help them construct and implement their plan. Three hundred and sixty degree feedback can be used periodically to support individual change and development.

Development themes for talent management

Our experience in working with high potential people leads us to suggest that, just as with all individuals, it is best practice to encourage them to develop a development plan that is tailored to their needs. Although it is unwise to generalise, we often find that their leadership development requirements fall into three key areas: strategic awareness, personal effectiveness and career management.

- **Strategic awareness**

Future business leaders need to be able to set strategic direction and to lead and manage change. There are a range of L&D interventions that can address these needs, from business school programmes through to prescribed reading.

- **Personal effectiveness**

Although we often find that people on talent management programmes have innate leadership skills, they may also need help to improve their personal effectiveness. High potential individuals need to communicate, motivate and inspire others. They also need high levels of emotional intelligence.

- **Career management**

Making the right career choices is important for those who have talent. Such individuals need to be able to review their career options, what they value and what is important to them. Having a coach or sounding board allows them to discuss on a one-to-one basis potential career paths and choices.

The role of talented individuals

Many talented individuals have ‘drifted’ into positions of influence. How do we help people take charge of their own learning? A sound platform for personal ownership of learning is to encourage reflection and discussion. In order to promote such a culture of learning, one method we have found useful is to ask high potential individuals to keep a learning log or diary. This form of reflective practice encourages them to recognize the value of learning and the Opportunities available to learn and develop.

Encouragement of broad thinking about development

Unfortunately, even with talented individuals, there is still a mindset in many organisations that, unless they attend a training programme, they have not increased their learning. HR and L&D professionals have a key role to play in encouraging people who have talent to take advantage of the full range of L&D opportunities available. These can be tailored to suit the individual’s learning styles. Learning from the experience of others can provide useful development insights for those with high potential. We worked with a talented technical manager, for example, who needed to develop his presence in the business. Through personal coaching, he was encouraged to co-deliver technical presentations with his colleague. Today, he is one of the organisation’s acknowledged subject matter experts, who speaks at international conferences on his specialist topic.

Shadowing and mentoring

Learning from others' experience can provide useful development insights for those with high potential. In particular, having access to senior management as role models can prove invaluable. Also, talented individuals can usefully undertake secondments, projects and assignments to help them learn more about specific areas. In addition, they need to keep up to date with sector-specific and business reading, to attend conferences and seminars and to use the intranet and Internet to widen their knowledge.

5 global trends in talent management

Deloitte has outlined 5 global trends in talent management in response to the disruptive and volatile global marketplace.

Next generation leadership

Developing future leaders are relevant now and in the next three years, but organizations must seek a new leadership model for the age of agility. "Although there is clear focus on developing the next generation of leaders globally, HR executives still need to develop a different approach around development. These strategies must be specific to the business. It's pervasive and organizations must commit to getting the best results."

Accelerating organizational change

One should see the way in which organizations view change as a top trend. "In today's fast-paced environment, organizations need to adopt a new way of looking at change and become more results-orientated."

The war to develop talent

Leaders should consider development and upgrading skills as a critical trend. "As businesses struggle to fill critical positions at many levels, companies are putting renewed focus on building capabilities, not just finding them."

Boards are changing the HR game

Growing number of boards are focusing on the role and impact of talent on business performance and risk. This is a step away from the previous focus of boards which was centered on CEO succession and setting compensation for the most senior executives. "Today, organizations know that developing a strategy without considering the talent dimensions creates risks. Boards are recognizing that a business strategy often is a talent strategy."

Transforming HR to meet new business priorities

Organizations are developing HR capabilities that will not only support the business, but enable business strategy. "To fulfill its new role in accelerating business growth, organizations are using HR transformation to design HR and talent systems that can work across geographic boundaries, creating a framework that is flexible enough to support different business models."

Talent management also known as human capital management is evolving as a discipline that encompasses process right from hiring people to retaining and developing the same. So it includes recruitment, selection, learning, training and development, competency management, succession planning etc. These are all critical processes that enable an organization to compete and stand out in the market place when managed well. Talent management is now looked upon as a critical HR activity; the discipline is evolving every day. Let's analyze some trends in the same.

Talent War

Finding and retaining the best talent is the most difficult aspect of HR management. HR survey consultancies are one in their view that organizations globally are facing a dearth of talented employees and it's often more difficult to retain them. Further research has also shown that there is clear link between talent issues and overall productivity.

Technology and Talent Management

Technology is increasingly getting introduced into people development. Online employee portals have become common place in organizations to offer easy access to employees to various benefits and schemes. In addition employees can also manage their careers through these portals and it also helps organizations understand their employees better.

Promoting Talent Internally

An individual is hired, when there is a fit between his abilities or skills and the requirements of the organization. The next step is enabling learning and development of the same so that he/she stays with the organization. This is employee retention. An enabled or empowered means an empowered organization. It is also of interest to organizations to know their skills inventories and then develop the right individual for succession planning internally.

Population Worries Globally

World populations are either young or aging. For example, stats have it that by 2050 60% of Europe's working population will be over 60! On the other hand a country like India can boast of

a young population in the coming and present times. Population demographics are thus a disturbing factor for people managers. Still more researches have predicted that demographic changes in United States will lead to shortage of 10 million workers in the near future.

Talent Management to rescue HR

HR has been compelled to focus on qualitative aspects equally and even more than quantitative aspects like the head count etc. Through talent management more effort is now being laid on designing and maintaining employee scorecards and employee surveys for ensuring that talent is nurtured and grown perpetually.

Increase in Employer of Choice Initiatives

An organization's perceived value as an employer as helps improve its brand value in the eyes of its consumer. Most importantly it helps it attract the right talent.

Conclusion

Talent Management is a set of integrated organizational HR processes designed to attract, develop, motivate, and retain productive, engaged employees. The goal of talent management is to create a high-performance, sustainable organization that meets its strategic and operational goals and objectives. Talent management is the science of using strategic human resource planning to improve business value and to make it possible for companies and organisations to reach their goals. It is very crucial for the businesses to retain the talent in the present day competitive scenario. Deloitte has been succeeded by following the global trends in talent management in response to the disruptive and volatile global marketplace.

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