

Identifying pivotal talent positions management essay



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Talent management is fundamentally HR process which many modern organisation practice to attract, recruit, develop and retain their workforce to achieve competitive advantage. In today's globalised world where companies are stressing for new practices for skilful workforce, talent management become vital for organisation success.

Despite the larger number of practitioners and academics trying to define the Talent management, it lacks clear meanings and systematic approach to back its theory. Talent management faces many challenges in practice, as critiques believe it's a rebranding of HR practices.

Organisation develops their strategies to achieve their objectives and goals. To achieve these strategic goals organisation human capital plays key role. Organisation integrates and aligns its talent management processes with business strategies to create a pool of successful talented worker and then utilise these talent to obtain competitive advantage in overwhelming globalised competition. Talent management practices help identify potential leadership, develop skills, attract talent from external market and create employer image as part of its business strategy.

Concept of Talent Management

Talent management has received the interest of most practitioner and academics among all HR practices. This has significant increased since the group of consultant from McKinsey came up with the phrase " War for Talent" in 1997. There has been a recent paradigm shift from traditional HR strategy to talent specific in today's competitive environment. Considering the significant shift the notion of talent management remains valuable. The <https://assignbuster.com/identifying-pivotal-talent-positions-management-essay/>

organisation's competitive advantage of its human capital is arguably more important.

Talent management can be divided in to key areas of activities and process which systematically help to identify the key positions in any organisation, that can contributes towards the competitive advantage of it. Creating different human resource architecture to create a pool of talented incumbent employees that can fulfil these key positions. It will be vital to clarify that key positions are not limited to top management but it can be lower management, different operations unit or the part time.

There is not précis or set definition of talent management; Author has to make many assumptions while defining it. As Aston and Morton described that there " isn't a single consistent or concise definition" (Aston & Marton, 2005).

Key function of talent management is to attract, recruit and retain the talent. According to Hartley (2004) " it's spread of wide range of activities for instant succession planning, employer performance and management etc."

And Creelman (2004) " The process of attracting, recruiting and retain talented employees"

Knez et al (2004) had similar thought that it's continuous process of external recruitment and selection and internal development and retention.

Talent management generally highlights the selected individuals through carefully set the selection process and activities and they are referred as

talented “ individual”. Which are seen as key element in the success of an organisation. Lastly extending the issue to retain these talents.

For example HSBC has talent review process for their senior managers that help them to clarify their goals and give business an external view of potential managers.

Talentmanagement means differently for different people. For some it’s managing or finding the best talent in an organisation and for some its recruiting and developing talented people. Talent management aspect that should be included an organisation talent management practice.

Performance management

Leadership development

Workforce planning/identifying talent gaps

Recruiting

Talent Management for the Twenty-First Century

As the 21stcentury unfolds, radical changes happening in today’s business and workforce. Companies once dominated by America and Europe now has more ownership across globe. There has been growing urgency and attention on HR practices to continuouslyengage and retains employees. Companies are going beyond traditional approaches in practice to retain their well-performing employees.

“ Employee retention is king. And employee engagement is not far behind. Coos of the nation’s fastest growing companies overwhelmingly cite retention of key workers as the most critical factor to plan for in the next year ahead” (PricewaterhouseCoopers, 2004).

Similarly demographic changes occurrence are increasing, there are more young people in developing nations who are educated and skilful which has lead the global movement for job as more and more companies seek skilful labour for their varied positions. There demands had created scope and impact for the hunger for skilled workers everywhere.

These changes can be summarised in following points

Increasing number of young population

More global companies operations

Increase in outsource and offshore

Need for Competitive edge

Spread of ownership in other regions

Hence globalisation has increasing made difficult to hire, retain and develop talented employees for businesses. Companies are in search for new practices for hiring and then developing, motivating and converting into strategic assets.

Furthermore companies need to integrate and align its talent management processes with business strategies to create a pool of successful talented

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worker and then utilise these talent to obtain competitive advantage in overwhelming globalised competition. The key agenda of companies to attract and retain key talent, which can key factor in organisation influence and effectiveness.

A Theoretical Model of strategic Talent Management

Strategic talent management deals with all the employees within an organisation. Strategic TM focuses on identifying and creating the pool of talented employees then develop these talents to occupy key positions.

Identifying pivotal talent positions

The first step of managing the strategic talent management is to identify the key position within an organisation. Most of the literature review suggest the key attention to identify the key performers and their development and retain but latest theories advocates that identifying the key position in organisation which has central role in organisational success.

Developing Talent Pool

The second step in strategic management is the developing the pool of incumbent's talented people. Developing the talented people pool to fill the key positions identified in earlier step.

However there are various method of creating talent pool depending on the organisational structure but one thing should be keep in mind that these are highly talented and incumbent people and key positions assigned to these people must utilise to the maximum capacity.

There are two key elements to talent pool one that organisation should understand the importance of external labour market and secondly due to increasingly mobility of the external employer it is a possibility to high skill labour from external market.

As Pfeffer and Leblebici (1973) argued that “ organisations facing the greatest threat from external sources aggressively recruited executives with experience from the external labour market.”

Create a differentiated HR Architecture

There has been continues debate on linking between strategic HR practice and organisation. There is no set HR practice that can help identify or utilise the talent pool rather there are suggestion to apply methods of HR.

Practicing the contingency HR practice depending on organisation structure.

Lapak and Snell (2002) differentiate between four categories, knowledge based employment, job based employment, contract work and Alliances or partnership.

In summary, some HR practices can be best suited for particular organisation but could have different impact on other industry. There is need to define HR practices to utilise the talent pool and appointment to key positions to have successful competitive advantage.

Talent Management Challenges

Talent Crunch

Most companies are facing the shortage of talent employees. Attracting and retaining employee for company growth for all levels it's a challenge for companies. For example Essar Group has grown to sixty thousand employees from twenty thousand in last 3 years and more than fifty percent of their employee's tenure is less than two years.

Creating Value Proposition

Companies are finding difficult to create value proposition for their employees with four generations as work force. Its difficult for organisation to create value proposition for every employee with diverse needs, assumptions and preferences belonging to different generation group.

Leadership in pipeline

The shortage of robust leadership talent pool is biggest threat for organisations. There are not enough talented leaders to replace the existing or to fill the expansion of companies growth. It's becoming more difficult in globalised world to choose skilful leaders with required skills, leadership qualities, business knowledge and global diverse sensibility. Deloitte, for example has talent management and succession planning to improve and retain their employees to become future leaders.

Transferring key knowledge and relationships

Companies facing difficulties in transferring knowledge to other employees from people retiring or changing jobs. It's a greater threat from companies that are heavily embedded in tacit knowledge such as customer relation.

Work/life Balance Issue

Companies heavily investing on talent management in developing and retain their employees at mid-level of their careers, they need to consider responsibility of creating balance between work and life. There is fear of employee escaping the organisation pressure to develop skills can lead to high turnover.

Redesigning Talent Management Practice

Some critiques argue that there is a need to redesign the TM practices and program to attract workforce. The importance of young professional is critical for firms with fresh skills and talent. Further there is rethinking required to link the different roles and relations together to generate better outcome.

Short tenure of talent

Acquiring and retaining talented employees are critical to organisations. Company's competitive advantage is dependent on retaining the talented people at key positions. There is high turnover of employees in retail business due to market influence and an internal mindset. Gap, for example believes retaining employees for more than three years is key to future business success.

Rebranding HR practices

Three different perspective can be extracted from literature review. TM was defined and associated, as the part of HR process but defining does not help to understand how to “ manage talent”. Some argue that managing, recruiting and staffing through Internet may require additional skillsets for HR

staff but it does not help in principle of improving the selection process but it help to rebrand the HR practices to keep them fresh as it does not help one to understand the strategic and effective importance of managing talent.

Importance of Talent Management

In today's competitive market the value of talent employee become the vital part of the organisation. Therefore talent management plays any important strategic role in an organisation.

The organisation gets advantage of employee's competence and productivity. They get strong association with organisation and often put best dedication at work, which ultimately shows result on organisation balance sheet. Further it enhances employee commitment and pride towards the organisational and it reduces staff turnover.

Jack Wiley, executive director of Kenexa Research Institute, said, " People have a fundamental need to know how they are doing and what the future holds for them,"

Organisation with talent management in practice produces competitiveworkforce to adopt changing and competitive market. Recruit, develop and retain talent, which help in company's financial success.

Having effective talent management strategy helps organisation overcome the fear of losing talented employees, its help to have backup if not equally talented but replacement to develop the similar talent.

Talent management help create short term and long term backup plans. Organisations with various contract or permanent employees often search for replacements. Having backup plans with talent management reduces the losses of time and value spent on finding replacement or recruiting new staff.

Continues practice of talent grooming doesn't allow the volume within organisation it creates equally or similar talented workforce. Grooming process increase employee's qualities such as leadership, multitask, competence and knowledgebase.

Talent management help define ethics and values of workforce of the employees. Reason ethics are important for an organisation because for recent years many fast growing or big organisation being involved in ethical scandals. Understanding and implementing employees ethical values or considering in organisation culture shows workforce importance towards their employee.

Talent management not only important for organisation but it plays equally vital role for employees. Employees get a chance to develop and acquire new knowledge and talent, which increases their potential. Every employee understands the importance of new skills, which can lead to their future progress. Employees prefer to stay with organisation where they believe their skills being utilised and continue to groom under health talent management scheme.

Many organisation demands the demonstration from all its function for their strategy value to organisation. There is growing pressure on HR for its <https://assignbuster.com/identifying-pivotal-talent-positions-management-essay/>

strategic contribution. Financial resources may be the lifeblood of a company, but human resources are the brains. It's long been accepted that sound financial management is critical to business survival. This is especially true during challenging economic times. However, having strong talent and sound talent management is equally critical to business survival.

To summarise the important points in bullet points

Increase Revenue

Improve Product Quality

Increase Customer Satisfaction

Reduce Cost

Reduce Cycle Time

Increase return on shareholder investment

Increase Market share and capitalisation

Business Strategy and Talent Management

A business strategy of a company is its long-term planning or direction and steps it will pursue to accomplish those goals.

A more formal definition can be:

“ Strategy is the direction and scope of an organisation over the long term, which achieves advantage in a changing environment through its

configuration of resources and competences with the aim of fulfilling stakeholder expectations.” (Exploring corporate strategy, 2008)

If we look at the reason behind the success and failure the organisation it ultimately come down to talent. Talent leads organisation to make decisions regarding where to invest in financial and human capital. This further leads to how to innovate, compete and how to motivate and achieve the business strategy? Right or wrong decisions are made, which result in success or failure and most of the time CEO of the company takes all the credit or blame depending on the outcome of the decision.

It's the talent within an organisation that leads to execution and implementation of the business strategy. “ People are all there is to an organisation” (Garry Hamel, 2003). Collins argues, “ Having the right people comes before having the right strategies”.

Rob & Ben argues with their sixty years of combine experience of corporations and various business that CEO and senior executives worries as much about talent management as much they do about the financial of the company. This shows that talent management plays as important roles and financials do.

Talent management is the central part of any business plan and its more desirable part of HR. Organisation needs talented people to meet the needs to deal with complex business needs. Since the 1990s the business expansion has significantly with low trade barriers, easy communications and company globalisations. Many companies expansion was based on globalisation into India and China. This change has lead to global talent
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competition across boundaries. There is an increase demand for talented people with shrinking pool of talented people this has increased the business concerns of expansion of their HR activities for the retention of the talent.

HR is more strategically driven and company facing problems or lack of success in financial of it eventually leads to executive criticism and public scrutiny which leads to termination of CEO. Figures are not known but itsbelieved executive turnover is high in recent years. The high turnovers mean there could be fault in selection process. Some reasons could be the mismatch between CEO and the business situation and strategy; on other hand many deal effectively different complexity and strategic driven business. Many argue oppose to the above reasons they believe business and CEO face constantly changing businessenvironment and challenges, response should be fast enough to avoid missing the opportunity. This shows the important of HR and talent managementprecisely in business strategy. Since 1990's it been mortgaged that connection between talent management and business strategy has its routes in two trends.

The emergence of talent as strategic resource and competitive advantage.

The evolution of the Human Resources functions as a strategic business partner

(Rob & Ben, 2009)

Conclusion

Given the high level interest shown by different quarters from academics to practitioner's and from employer to business itself, talent management is still not reached on concise definition and practise.

“ Talent Management” has been discussed and pursued heavily between practitioner and press without being linked systematically and peer-review. It has been widely define and discussed which has not potentially contributed to the understanding of concept. Some commentators argue that its been used to rebrand the HR practices of recruitment process to cater the needs of demographic changes.