

# Essay on attracting retaining talents and career development in global era

[Business](#), [Company](#)



**ASSIGN  
BUSTER**

## **Attracting, Retaining Talents and Career Development in Global Era**

### Introduction

Economically, the globalization process has traveled a long way, starting with 1600 a. d. when the global trade had expanded; it continued with the free flow of labor market that countered between 1870 and 1910, which allowed the free access and exchange of people, money and goods between countries (Ali, 2000). Nonetheless, scholars consider that in business, the concept of globalization is quite new and multinational companies usually refer to it as a business strategy in their annual reports (Pepper in Ali, 2000).

Among the challenges of the globalization of business is that global companies usually set their home in their domestic location, where they are created and they impose their culture to their subsidiaries, visible in the organizational behavior or in the activities performed outside the mother – office. They tend to create a global corporate culture to which the subsidiaries must adjust in terms of working style and organizational values. Parker explains that this situation is occurring because global companies perceive world as a single market, wherein all their subsidiaries must have the same assets as the home location (2005).

Discussing about whether is appropriate for a global company to extend all its functions to local levels Lundby considers that the general aspects that refer to the global environment, such as the talent attraction, retention, employee development plan (compensations, benefits, rewarding system, trainings), employer branding and organizational behavior, leadership style,

<https://assignbuster.com/essay-on-attracting-retaining-talents-and-career-development-in-global-era/>

diversity or corporate social responsibility policy should be managed globally. All the subsidiaries of the mother – company should follow the same procedures and guidelines regarding these aspects. On the other hand, other aspects such as employment conditions (demographics, union relations, employee networks and labor efficiency and productivity) should be managed at local levels (Lundby 2010).

Globalization represents the process of interconnecting every sphere of activity, at worldwide level. This phenomenon facilitates the integration and the unity between culture, but it also generates a reshaping of the activities and the relationships between states, leading to creating “ blurred boundaries within and between organizations, nations, and global interests” (Parker, 2005, p. 5).

This definition of globalization shapes the discussion subject of the current paper. As the globalization created visible shifts and changes in the way that states and organizations unfold their activities, this also influenced the business model and the competition. In this context, for properly managing these changes that are the result of the globalization process, governments and organizations need to apply strategic measurements, in order to maintain their competitiveness, adjusting their business model to the new market’s trends (Ali, 2000).

This paper focuses on the way organizations manage globalization from a human resources perspective. It discusses about how the globalization phenomenon has affected the business and its function as a result of free labor circulation. The paper also analyzes specific strategies that organization must follow and implement for adjusting the new business

conditions. Such strategies for remaining competitive on the market, which will be developed within this paper, are Attracting, Retaining and Developing staff's competencies.

## **Attracting Talents**

Attracting talents fulfills a very important HR function, namely sustaining the competitiveness in a market, because human resources represent the engine that generates performance through finding the most suited and the most efficient individual talents for a business. Pengfei et al. observe that businesses have started looking for the suited individual talents all around the world for developing the internal teams (2010), strengthening like this the company's competitive advantage through added value.

Attraction of human resources was born as a natural outcome of the globalization, as a result of the free labor market. Companies no longer wait for candidates to contact them and apply for the open positions. Rather they apply new strategies for finding the people right for the jobs needed to be filled. Talented individuals represent added value for the company that employs them and it is only natural for them to be looked for and contacted by more companies at a time for similar positions. This gives birth to competition between companies activating on the same or on related markets, for attracting the same targeted talent(s).

In attracting the individuals suited for specific jobs within companies, organizations design specific offers, precisely for counterattacking the competitors' offers. Internal talents represent a company's resources and the more prepared and talented they are, the greater the company's

reputation will be. This implies that it is only natural for companies, especially for global companies (or international and multinational companies that apply a global strategy) to design a satisfactory offer, which to include benefits and facilities for the potential employed talents, in order to put the best offer on the table.

Nonetheless, besides the employer's financial offer (including the benefits and facilities), the targeted employees usually also take into account the working environment, the collective, the organizational behavior, even the leadership style, which might have an important impact upon their future activity in the company. Other important elements that might constitute criteria an individual to choose a company over another is the organization's involvement in the career development plans of the employees.

Melisa Mayfield considers that in attracting (and retaining) the right and the best employees companies need to build up a "total compensation approach" that should include flexible and changing working environment, recognition, rewards, empowering and authority (2011, para 1). This aspect comes as a completion for the above mentioned argument according to which the targeted employees chose a company also by its organizational culture and the working environment.

A company that applies flexible schedules, changing working environment, which empowers and rewards the employees will soon be recognized as a company worth working for. This would be a plus that the company will add to its package when preparing the employment offer for the targeted talents.

Companies have developed various strategies for attracting talented staff.

An effective and efficient strategy was adopted by Cisco, who uses the current employees as ambassadors of the brand for attracting many applicants, in order to develop an internal data base from which they to have the possibility of selecting the best people that would fit the company’s position. Cisco has created on its website, the career page a “ Make Friends at Cisco” button that allows the candidates to discuss directly with a Cisco employee and find out more about the jobs they desire. This instrument was created as a result of the fact that most employees (60%) got hired at Cisco at the recommendations of their friends, who were already employed at Cisco. Hence, the organization has sensed that this was an efficient strategy of attracting talented people to join its team, and it elaborated it for its plans of developing its internal teams (Lundby, 2005).

The employee referral programs represent another strategy of attracting talented staff. If current employees are satisfied with their working environment or they wish to salute a specific aspect of their job, they are encouraged to post their referrals on the company’s website, so that potential candidates to see them and to desire to be a part of the organization. This is the case with Sasken, where 30% of the top management employees are recruited through referrals (Lundby, 2005).

## **Employee Retention**

Retention refers to the number of employee who remained employed within a company in a specific time period. However, as Carsen observes this is not necessarily a positive aspect for companies that have employees that have remained in their service for a long time. This might imply either that the

company might fear potential lawsuits for firing the employees if unsatisfied with their performance, or that the employees are afraid to leave the company because they are depending financially on their jobs. In the latest case, the employees are unhappy and underperforming (2002).

Nonetheless, retention might also indicate the fact that the company who has a high retention rate invests in its employees and it is determined to keep them and not to give them any reasons to move to competitive companies, because the cost of employing and training new employees in order to reach the levels that its current people has, might be significantly higher. Carsen also includes to this argument the cost of advertising the open positions, the recruiters' salaries or reimbursements for candidates and together with the already mentioned costs would reach around 200 percent of the current employee's salary and benefits (2002).

## **Career Development**

Career development refers to the company's internal resources of offering the employees the opportunity to grow, to develop their skills, abilities and competencies through customized training programs. It also refers to the employees' own capability of managing their careers within or between organizations and it involves a lifelong learning process of gradually achieving more in career (" Career Development Definition").

Lundy observes that companies must also offer an intercultural development, besides the technical one, meant to develop the employees' potentials (2010). Parker completes the list of the areas of development by stating that in the 21st century globalized working environment employees

need cross - functional expertise that determine them to perform both as technical experts, but also as managers (2005).

Parker also discusses about how the career development functions nowadays. The author states that the reward system is exchanged for performance and the employees have the opportunity of renegotiating their contracts and working conditions (2005).

However, in the current global economic and social instabilities, wherein the financial crises of 2008 - 2010 is still felt, or is in its second wave, when the main commodities, oil and gas prices continue to grow, raising all the other prices of living, employees become vulnerable. The market outside their working environment is tough and they are not disposed to try and negotiate their working conditions, because the employers are not very open at this aspect. The financial crises left many people without jobs, and there are many talented people unemployed, who will be willing to work for less than they actually value, less than the companies' current employees sometimes. Nonetheless, in this global economy employees and employers should expose flexibility and adaptability, in order to perform on a changing market. This implies technological adaptability, organizational flexibility (adopting a changing organizational behavior), flexibility in employee - employer relationship (Werner and DeSimone, 2011).

## **Conclusion**

Although in business the concept of globalization is still new, the realities from the business environment require companies to rapidly adjust to a global approach. As the labor market is free and employees have more



opportunities of moving abroad for working, employers identify their opportunity in becoming more competitive by attracting individual talents, selecting them from all around the world. Attracting and retaining talents adds value to companies, but they must support and enhance the skills and competencies of their employees by designing career development plans, in order to maintain and increase their individual performance and the overall company's accomplishments.

## References

Ali, A. (2000) Globalization of business: practice and theory. Haworth Press, Inc.: New York.

Career development definition (n. d.) Retrieved from <http://www.career-development-help.com/career-development-definition.html>

Carsen, J., A. (2002) HR how to: employee retention. CCH KnowledgePoint: Chicago.

Lundy, K. (2010) Going global: practical applications and recommendations for HR. Jossey – Bass: San Francisco.

Mayfield, M. (2011) How to attract and retain today's best employees.

Retrieved from <http://blog.eniweb.com>

[www.eniweb.com/blog/bid/65190/How-to-Attract-and-Retain-Today-s-Best-Employees](http://www.eniweb.com/blog/bid/65190/How-to-Attract-and-Retain-Today-s-Best-Employees).

Parker, B. (2005) Introduction to globalization and business: relationships and responsibilities. Sage Publication: London.

Pengfei, N., Kresi, P., K. (2010) The global urban competitiveness report 2010. Edward Elgar Publishing Limited: Cheltenham.

Werner, J., M. and DeSimone, R., L. (2009) Human resource development, sixth edition. South Western Cengage Learning: Mason.