

TALENT MANAGEMENT AS A STRATEGIC RESOURCE OF AN ORGANIZATION: A PROPOSED CONCEPTUAL MODEL

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Abstract

Talent management is an issue of human resource management. Once upon a time people were managed through personnel management, where people were considered as machines. With the passage of time it is recognized that it would not be wise to consider people as machines because it is people who make everything possible. So people should be considered as a total emotional and rational human being with all potentials. Consequently, human resource management emerges. To get maximum from people, human resource management tries to develop sophisticated approaches to treat people with potentials. One of these approaches is talent management in which people are considered as a source of competitive advantage. To popularize this approach of human resource management, this paper tries to provide a comprehensive idea and understanding of talent management by accumulating different works on talent management theoretically and how these are in practice. For doing that a comprehensive literature review was made and initiated some Focus Group Discussion (FGD) and experts' interviews with different academic and professional experts in this field. Lastly, depending on this theoretical and practical perspective of talent management a comprehensive conceptual model is developed that will facilitate a sound understanding on how does talent management work and contribute.

Keywords: Talent management, HRM, Talent retention, strategic resource, FGD, Qualitative, proposed model

Introduction

Talent management is actually a process to ensure effective and efficient use of talent- referred as talent optimization. It encompasses all human resource practices with administrative and technological factors. Generally it includes sourcing, screening, selecting, on-boarding, retaining, developing, deploying and renewing the human resources needed for an organization. Where sourcing is identifying talent resource, screening is sorting the list of available talent on the basis of required knowledge and skill, selecting is assessing the selected people, on-boarding is integrating new workforce into the organization, retaining is keeping those talent who contribute to the organizational success, developing is growing employees through training and different assignments, deploying is setting people to the positions and renewing is restarting the above process where needed.

In the world of technology, another advancement is also taking place in the sphere of business and economy, and that is “intellectual stature” (Khan, Ayub, and

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Baloch, 2013). An organization must create and develop its intellectual property from the perspective of functioning and creating its value (Moczydlowska, 2012). That means nursing and managing talent people is essential to run an organization in efficient and effective manner and to achieve its strategic objectives.

Talent management is useful for an organization from different perspective. It can help to reach a goal with lower effort as well as lower cost. It promotes an organization as a desire place of working through creating an image of an employer brand. It enhances the performance and productivity of the employees. It facilitates an organization to become a 'Reputed' area of organizational culture and management practice. Talent management ensures the presence of right people at right job on right time in the right environment for the best outcome in a best possible way for the organization (Uren and Jackson, 2012).

Though human resource is available in the market but human resources with required quality is scarcely found which leads the organization to the war of talent. A strategic scheme can be used to fill up this gap (Anwar, Nasir, khan, and Sana, 2014).

Both adapting internal talent with the necessity of the organization and adopting external talent according to the need of the organization can be an effective way of beginning the journey to talent management.

Objectives

- To illustrate talent management in details
- To identify the strategic role of talent management.
- To propose a conceptual model on talent management.

Literature Reviews on Talent Management

Definition

Talent management is the process of ensuring that the organization has the talented people it needs to attain its business goals. It involves the strategic management of the flow of talent through an organization by creating and maintaining a talent pipeline (Armstrong, 1977). To be treated as 'talent' as the potential source of the organization employee should have some characteristics- strategic value, rare, appropriable, and inimitable and cannot be substituted (Shrimaliand Gidwani, 2012).

Generally Talent management refers to the human resource management that is a way of recruiting, managing, assessing, developing, and maintaining an organization most powerful resource that is human itself (Khatri, Gupta, Gulati, and Chauhan, 2010). Talent management focuses on corporate strategy, succession planning, attracting, retaining and developing talents (Langenegger, Mahler, and Staffebach, 2011).

Talent management is a combination of activities and processes that involve the identification of main positions that contributes to the organization's sustainable competitive advantage, creation of a talent pool of high potential and high performing incumbents, and the development of a differentiated human resource architecture to ensure filling these positions with competent incumbents and their continued commitment to the organization (Collings and Mellahi, 2009).

Importance

Talent management can ensure available capacity (of people with suitable skills and talents), client service (with greater satisfaction) reduction of cost (of replacing someone new with scarce skills) and reduction of risk (of lower performance of new staff) (Terry Meyer, 2005). Research shows that organizations are highly trying to focus on talent management and they are giving priority on proactive actions rather than reactive actions (Oladapo, 2014). When talent management focuses on corporate strategy then it has a statistically significant, positive impact on corporate profit (Langenegger et al., 2011). It is a structure of tightly integrated HR processes that helps to make informed decisions that support strategic objective to be profitable and successful (Khatri et al., 2010).

Goal of the talent management is to make such strategic configurations, processes, methods, techniques and instruments for human resource management that are helpful to satisfy organizational competency needs. Appropriate utilization of these factors can help an organization in gaining and keeping competitive advantage by the organization (Egerova et al., 2013)

Process

There are different perspective of Talent management like- Process perspective (part of the everyday process of organizational life), Cultural perspective (a culture or mindset needed for success), Competitive perspective (brings extra advantages for the organization), HR planning perspective (right people chosen at the right time to do the right things for right jobs), Change management perspective (change by taking wider strategic HR initiative for organization) (Kehinde, 2012).

Effectiveness of talent management programs can be determined by considering-organizational behaviour towards talent management programs, employee retention and turnover rate, experience of an organization of dealing with a talent management program and its outcomes, forecasting ability of the different aspects of talent management programs (Oladapo, 2014).

Welins, Smith, and Erker (2011) explained nine best practices of talent management- (i) Start with the end in mind—talent strategy must be tightly aligned with business (ii) Talent management professionals need to move from a seat at the table to setting the

table (iii) You must know what you're looking for—the role of Success Profiles, (iv) The talent pipeline is only as strong as its weakest link, (v) Talent Management is not a democracy, (vi) Potential, performance and readiness are not the same thing, (vii) Talent management is all about putting the right people in the right jobs, (viii) Talent management is more about the “how’s” than the “what’s” and (ix) Software does not equal talent management. Three strategies can be followed to employ talents- the buy strategy, the Build strategy and the cocktail mix (Khatri et al., 2010).

Talent management can be divided into three areas- Talent recruitment, Talent maintenance and Talent development (Beheshtifar, Nasab, and Moghadam, 2012). A study of Towers Watson (2010) - a leading global professional services company that helps organizations to enhance the performance through effective people, suggested five rules for Talent management-

- Rule 1: There's never enough money. Invest differently to optimize results.
- Rule 2: If it doesn't measure business impact, it's just a distraction.
- Rule 3: Let the numbers drive talent decisions.
- Rule 4: Build adaptable skills. Prepare future leadership for any situation.
- Rule 5: Simplify performance management, and measure impact instead of goals.

An innovative approach can be applied to manage talent. In that case four principles of talent management can be followed (Cappelli, 2008)-

- Principle-1: Make and buy to manage risk
- Principle-2: Adapt to the uncertainty in talent demand
- Principle-3: Improve the return on investment I developing employees
- Principle-4: Preserve the investment by balancing employee-employer interests

To develop talent management program successfully an organization must have to understand the factors of talent management process- the labour pool, retention, the risk of self-selection and the effect of hiring on retention (Oladapo, 2014).

To create a perfect environment for talent management seven key practices can be executed (Rana, Nabi, and Hasan, 2012)-

1. Job Stretch and Mobility
2. Mentoring Not Just Managing
3. Freedom and Stimulation
4. Deep Immersion
5. Teaching and Coaching
6. Diversity of Talents and Personalities
7. Horizontal Growth Paths

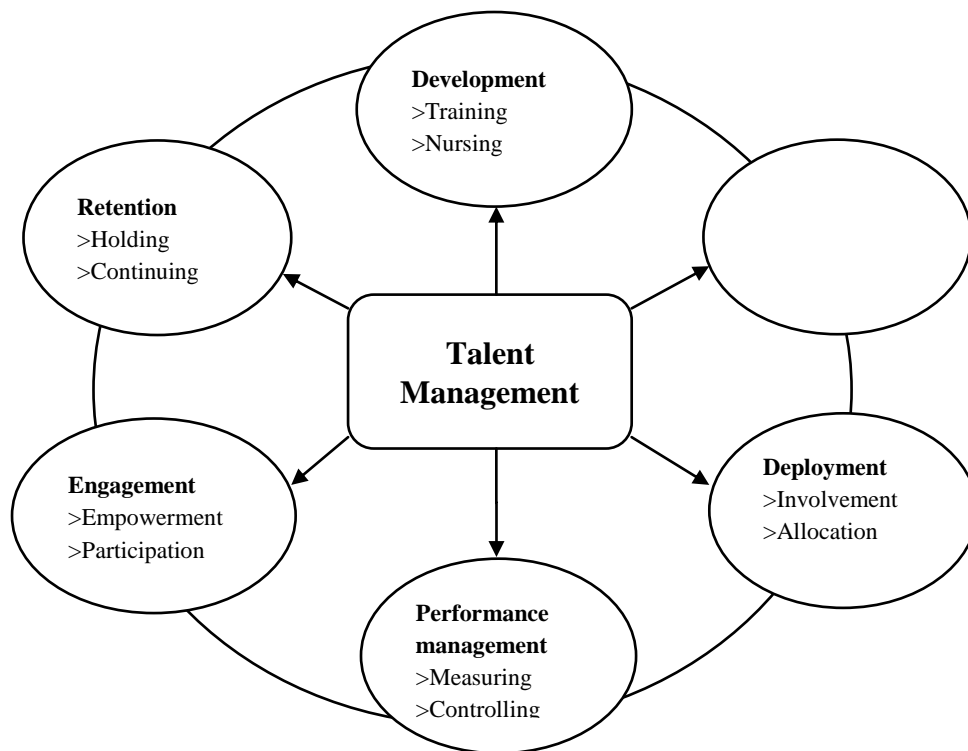


Fig. Common elements of talent management process

Common factors affecting talent management

Generally people retain themselves in a job to maintain the quality of life, for attraction to the nature of job or due to the commitment to a cause (Terry Meyer, 2005). Retention of valued employees in the organization highly dependent on the way in which an organization and their HR department run its talent management program (Oladapo, 2014). Every organization extensively search to recruit the best talents who will be able to lead the organization in future (Eva, 2015). It is the duty of an organization to make sure that the recruited people are aware of the expected behavior and some of them are treated as 'hero' to build the leadership skill among them (Khatri et al., 2010). That means employees need to understand the organizations goals and role of talents to achieve those (Shrimali and Gidwani, 2012).

Some factors identified by Bersin (2013) that affect corporate talent are-

- Rapid Business Change
- Borderless Workplace
- Shift Toward Emerging Markets
- Specialization Creates New Job and Career Models
- Twenty-First-Century Models of Leadership
- Intense Competition for Talent

Outcomes

Effective talent management strategies have important and positive relationship with organizational outcomes and strong association with competitive advantage and talent position of the organization (Anwar et al., 2014). The talent management process had a weak negative correlation with gender, weak positive correlation with education, moderate correlation with recruitment process of the highly skilled employee and high correlation with the HR Policy application (Maamariand Alameh, 2016).

Talent management practice can bring different benefits for organizations by-building reputation as an employer, establishing the link between product and employer branding, capturing the market's high potential employees and providing winning environment (Shrimali and Gidwani, 2012).

Methodology

It is a qualitative as well as descriptive study. So, qualitative data was collected and analyzed.

(i) *Data collection* : Both primary and secondary data had been used to this study with a greater focus on secondary data.

Primary sources: Several discussion and interviews had been conducted with the experts (both academicians and practitioners) of the related field.

Secondary sources: Different articles on talent management, reviews and business magazines, websites of different organization practicing talent management, books as reference.

(ii) *Data organization*: After collecting data it had been organized and classified to make them more useful and easy to use. It is actually giving a shape to the data as needed for further analysis. First of all, data had been categorized on the basis of needs, then similar data had been organized together and stored in the same file and finally, it had been arranged on the basis of sequence of different part of the study. All files named according to its content to make it easier to find when relevant and where needed.

(iii) *No. of Organizations* : There are eleven organizations practicing talent management in Bangladesh. Among these organizations nine are bank financial organization including both domestic and foreign bank and two are non-bank organizations.

(iv) *No. of Respondents*: Since talent management is operated in head office of concerned organization, hundred experts from the said organizations were interviewed. Among these experts sixty five are male and the remaining are female with different age, education and income level. Each of hundred experts comment on practices of talent management according to their respective organization.

(v) *Data analysis*: Since it is a qualitative research, Focus Group Discussion (FGD), Case study and Brainstorming with different experts (both academicians and practitioners) in the related field were conducted for drawing conclusion.

(vi) *Tools used in analysis*: This study used MsExcel, tables, and percentage to record and analyze the data derived from the selected organizations.

Talent Management Practices in Bangladesh

Talent management practices in Bangladesh can be found in some multinational and local organizations though it is small in contents and narrow in scope. Following is the list of some organizations practicing talent management in Bangladesh.

- Unilever
- British American Tobacco
- HSBC
- Standard Chartered Bank
- Citi NA
- AB Bank
- Eastern Bank
- BRAC Bank
- The City Bank
- IDLC
- IPDC

Major talent management practices found in these organizations-

- Appraisal interview to identify employees with talents
- Competitive written examination focusing on analytical ability
- Multiple steps in selection process like case study and presentation, group discussion etc.
- Offering golden parachute
- Competency based promotion policy
- Customized motivation program
- Business plan competition to identify talent with potentials
- Career counseling for accelerating career growth
- Succession planning and development
- Flexible work arrangement

Analyses

For developing conceptual model in this study, it was tried to review relevant literature thoroughly. Unstructured interview was also conducted with different experts. Their opinions revealed that although talent management can facilitate effectiveness and efficiency of the organization, there are no significant practices of it in Bangladesh. It was also told that next transformation of Human Resource Management will be Talent management.

This study is a qualitative and literature review based study. This study is conducted by interviewing and asking questions on the criteria of talent management. The details of which are given and analyzed in the following tables.

Table 1: Practices of talent management: The following table reveals the practices of talent management by the selected companies.

	Appraisal interview to identify employees with talents	Competitive written examination focusing on analytical ability	Multiple steps in selection process like case study and presentation, group discussion etc.	Offering golden parachute	Competency based promotion policy	Customized motivation program	Business plan competition to identify talent with potentials	Career counseling for accelerating career growth	Succession planning and development	Flexible work arrangement
Unilever	√	√	√	×	√	×	×	√	√	×
BAT	√	√	√	×	√	×	√	√	√	×
HSBC	×	√	√	×	√	×	√	√	√	×
SCB	×	√	√	×	√	×	√	√	√	×
Citi NA	×	√	√	×	√	×	×	√	√	×
AB Bank	×	√	√	×	√	×	×	×	×	×
Eastern Bank	×	√	×	×	√	×	×	×	×	×
BRAC Bank	×	√	×	×	√	×	×	×	×	×
The City Bank	×	√	×	×	√	×	×	×	×	×
IDLC	×	√	×	×	√	×	×	×	×	×
IPDC	×	√	×	×	√	×	×	×	×	×

From the above table, it is seen that only Unilever and BAT follow appraisal interview to identify employees with talents. Competitive written examination

focusing on analytical ability and competency based promotion policy are followed by all selected companies. Flexible work arrangement and Offering golden parachute are totally absent in all the selected organizations.

Table 2: Percentage of respondents on the basis of gender from whom information regarding practices of talent management are being asked.

Gender	No. of respondents (%)
Male	65
Female	35

The above table shows the percentage of respondents according to the gender of different companies. Among these 65% of respondents are male and 35% of respondents are female who ensure whether the practices of talent management as measured by several criteria are existed or not.

Table 3: Percentage of respondents on the basis of Income Level from whom information regarding practices of talent management are being asked.

Income Level	Unilever	BAT	HSBC	SCB	Citi NA	AB Bank	Eastern Bank	BRAC Bank	The City Bank	IDLC	IPDC
Above 5 lac	2	2	3	3	4	4	3	3	2	2	3
1 lac to 5 lac	5	4	5	7	6	3	4	4	5	4	4
Blow 1 lac	0	0	0	0	0	1	4	2	3	3	1

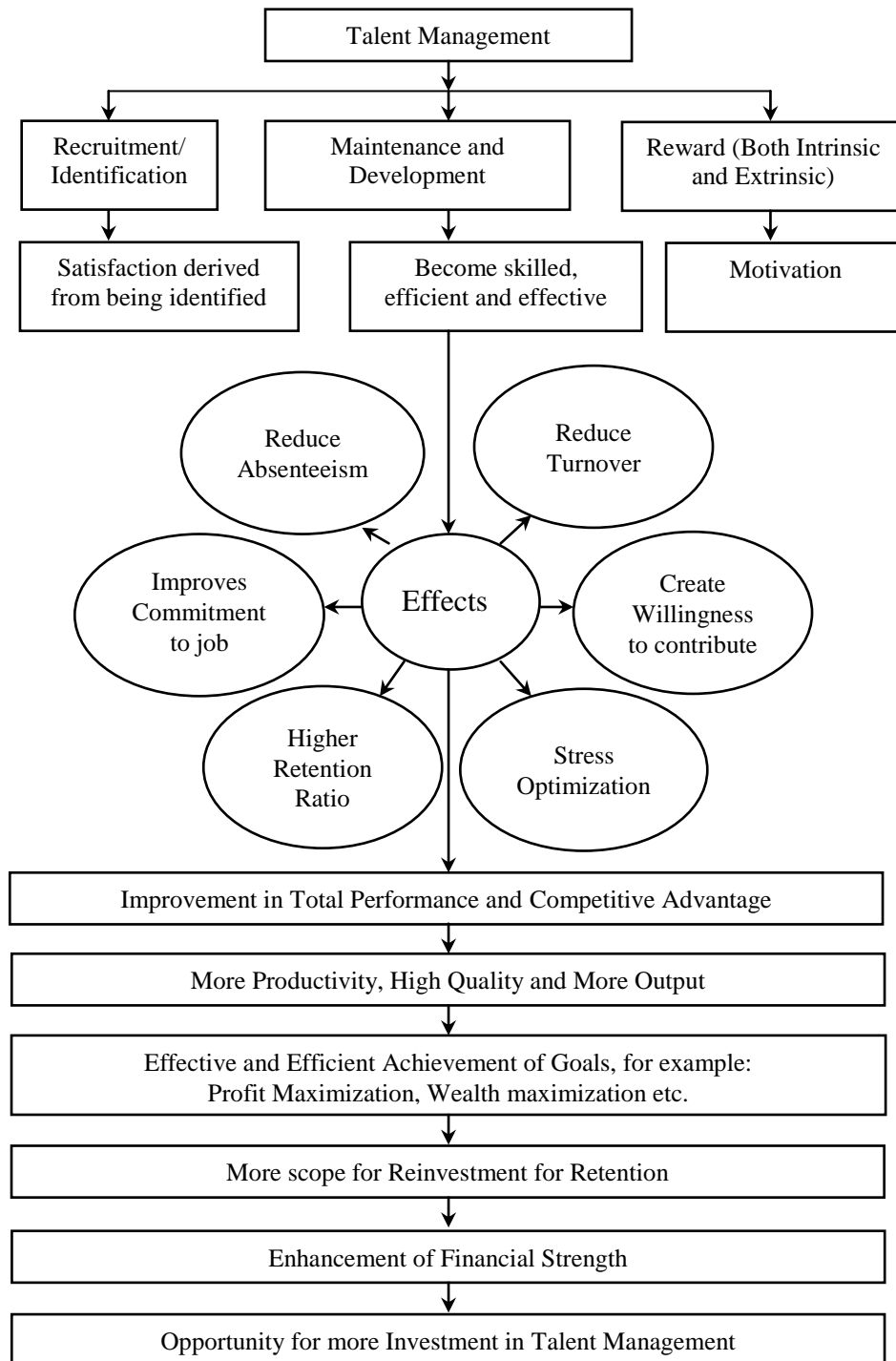
The above table shows the percentage of respondents on the basis of income level from whom information regarding practices of talent management are being asked. This percentage reveals that maximum respondents are existed in between 1 lac to 5 lac level of income. Whereas very low percentage of respondents are existed below 1 lac level of income.

Table 4: Percentage of respondents on the basis of age level from whom information regarding practices of talent management are being asked.

Age Level	Unilever	BAT	HSBC	SCB	Citi NA	AB Bank	Eastern Bank	BRAC Bank	The City Bank	IDLC	IPDC
Above 50 year	2	2	3	2	3	2	1	2	1	1	2
40 year to 50 year	4	3	3	5	5	5	6	5	5	6	5
Blow 40 year	1	1	2	3	2	1	4	2	4	2	1

The above table shows the percentage of respondents on the basis of age level from whom information regarding practices of talent management are being asked. This percentage reveals that maximum respondents are existed in between 40 year to 50 year level of age.

A Proposed Conceptual Model for Talent Management



Limitations

As the Talent management is not a widely used topic there were some contradiction among experts' opinions. Data resources to the point were limited. For this reason findings of this study may have little biased focus on the contents. If a focus group discussion could be arranged with the renowned experts worldwide it could be avoided.

Conclusion

Talent management is nursing the people who have potential to run an organization in long run successfully and making an emotional attachment with them to make them feel family. It is now an emerging issue of the current world though it is not adequately adopted by the organizations operating in Bangladesh. But it is time to take initiatives within no time to develop the organizational performance as well as to boost the economy of the country. Practicing talent management can facilitate the world ensuring the good culture in business communities. It develops interpersonal relationship among people within the organization. It may also work as a bridge between employers and employees.

So it is time for the organizations to include talent management in strategic planning in bold letter. So that, talents are identified as heroes, goals are achieved in smarter way, employers brand is ensured and happiness is brought to all its stakeholders.

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