

TALENT MANAGEMENT IN FOUR STAGES *

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Abstract:

'Talent' are categorized as valuable, rare, hard to imitate and difficult to find. Any organization that wants to defeat others in business should emphasize on talent management. Traditionally, human resource departments are dealing the organization's manpower. However, they were found unable to manage the demanding needs posed in overcoming the recent economic recession through their classical approaches. One of the ways to face the current situation is by talent management through an internal 'talent pool' within the organization. This paper proposes and discusses a four-stage model that covers probable research aspect of the 'Talent Management' and the subsequent 'Career Planning'.

Key words: Talent management, career planning, human resource, human resource management (HRM)

JEL classification: O15

INTRODUCTION

In order to survive and compete in the marketplace, every organization has to have a process to respond to its needs for talented people. Though this may be called as Talent Management, Talent Strategy, Human Capital, Succession Management, or with some other terms, they are actually represents the same entity. To succeed, the very best organization should have a fully integrated system in which all parts of the system are interactive with each other. Though one can imagine such a system is better for the organization, many of the organizations fall well short [Clark 2010].

What is being done now is to place hand-picked, so-called 'talented people' – whom the human resource people 'considers' to be 'talent' – in some lucrative places or positions. It sometimes results in placing of wrong human resource in wrong place, not even considering the timing. Even if we accept that the human resource people handling this affair are well experienced; however, their ability to extract the exact 'Talent' is rather questionable. One of the short coming of this method is that many talents are never been evaluated, and they are rather lost.

Talent management is becoming a critical area for an organization's success in the recent trend of economic downfall [CONF 2003]. Newhouse et al (2004) defined talent management as: "Ensuring that a sufficient supply of talent is available across the organization to achieve competitive advantage, enhanced corporate performance, and maximizing the productivity of an organization's talent pool. It involves process consulting which includes forecasting openings and needed resources, using assessments for selection and development, placing employees onto appropriate projects, planning for and measuring the return on investment of personnel programs, utilizing technology advancements, and more. Talent management spans the entire talent life cycle from entry to exit, from placement to promotion (p. 5)."

There are other definitions (Lewis 2006) as well which tells that talent management " ... ensures the right person in the right job at the right time" or, " ... a deliberate and systematic effort by an organization to ensure leadership continuity in key positions and encourage individual advancement" or " ... managing the supply demand, and flow of talent through the human capital engine".

There are two different views of talent management: Strategic and Integrated (Michaels 2001). Strategic talent management (STM) is the key to success in the new talent economy. Michaels (2001) also mentioned, research showed that high-performing companies consider the

organizational talent management as a top three priority. They utilize strategic talent management practices and have leaders who possess a belief in the importance of talent as a foundation. Integrated talent management is to plan and developing talents according to the organizational need. This method starts at the recruitment, and should co-ordinate with the STM.

Though talent can be cultivated and developed within the organization, talents can also leave the organization, become sick, demotivated, and perhaps influence others to behave in ways unfavorable for the organization. Because of this, attracting, assessing, developing, and retaining talented people are even more important in today's volatile knowledge economy. This can be interpreted as the phenomenon that every organization should in the process of continuous investment for its Human Resources Management.

Talent management deserves at least as much focus as financial capital management and not just when an organization is trying to acquire talent or implement change. In challenging times, smart organizations protect their human capitals or 'talents'. These protective measures save the organization from further expenditures and efforts they have already spent in cultivating the workforces and talents.

WHAT IS TALENT MANAGEMENT

An organization needs talent management strategy for systematic identification of key positions which are critical to the organization's sustainable competitive advantages. Since these positions are critical to the organization, a 'talent pool' of high potential and high performing incumbents to fill these positions is required to be developed. Besides, differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization should be developed.

Therefore, a definition of Talent Management could be delineated as a system that systematically identify the critical positions which contribute sustainable competitive advantage of an organization and supply appropriate manpower for these positions.

Most importantly, the criteria of talents are that they are valuable, rare, and hard-to-imitate. Talent management is therefore being positioned as the latest weapon in the human resource arsenal in the ongoing struggle to elevate the practice of human resource management to one of strategic importance [Hughes 2008]. It is a multi-faceted concept, fuelled by the war for talent and build on the foundation of strategic human resource management.

NEED FOR TALENTS

There are few problems that the present day organizations commonly face (IBM 2008):

1. No organization in today's economic climate can afford to invest in talent management practices without a demonstrable and significant return on investment.
2. Senior leaders will not support the process, and,
3. The process will not support organizational goals.

Based on some research, the few dimensions were found for the talent management that needs attentions. A table is presented here for these demanding dimensions:

Table 1. Dimensions for Talent Management

Talent management dimensions	Description
Develop Strategy	Establishing the optimal long-term strategy for attracting, developing, connecting and deploying the workforce.
Attract and Retain	Sourcing, recruiting and holding onto the appropriate skills and capabilities, according to business needs.
Motivate and Develop	Verifying that people's capabilities are understood and developed to match business requirements, while also meeting people's needs for motivation, development and job satisfaction.
Deploy and Manage	Providing effective resource deployment, scheduling and work management that matches skills and experience with organizational needs.
Connect and Enable	Identifying individuals with relevant skills, collaborating and sharing knowledge, and working effectively in virtual settings.

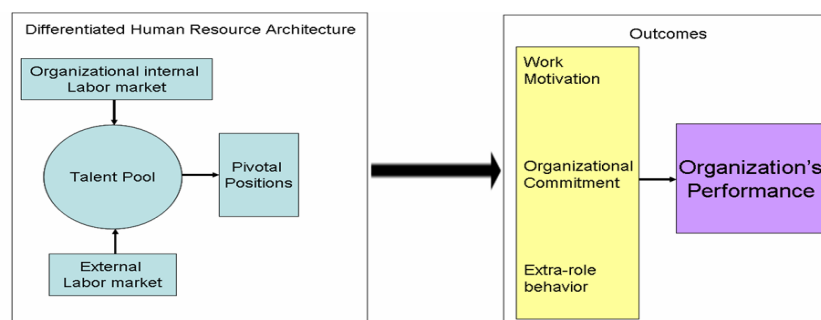
[Source: IBM Institution for Business Value / Human Capital Institute]

A company that wants to achieve something in the market tries to acquire talents by attracting them to their own organizations. So far discussed, it is clear that the talent is essential and is often regarded as a key strategy in maintaining a competitive advantage. Since talent management is needed for success, efficiency, and consistency; it however poses many challenges too:

1. Identify critical jobs, finds ways to ensure current and backup incumbents. It is worthy to remember that sometimes people who are in the critical jobs are not the best performers, and the best performers are not in the critical jobs.
2. There should be a clear process for identifying and developing high potentials. The process should be able to identify the top performers and ensure their development through which they get higher chances of better performances and retention within the organization.
3. The process should always consider plans for organizational transitions and movement of talent, so that if the organization can manage the holes created by the departing talents as such that the organization does not get hit.
4. Building a talent pool.
5. The talent management system should be able to generate report of the outcomes.

A THEORETICAL MODEL FOR STRATEGIC TALENT MANAGEMENT

Based on the concept of putting proper talented employees at the proper place, the organization should select them either from within the organization or to hire them from the outside. A conceptual model can be set up as shown in the following figure.

**Figure 1. Conceptual Model of Talent Management**

Evaluating the previous literature, it was obvious that there should be some ways to find talents within the organization. It is recognized that organizations do not have ready-made talents.

Talents are to be selected from a group of prospective applicant for some specified positions within the organization. Hence the proposed system starts with the initial recruitment process and then goes through various parts of the organization, ultimately evolving into a *talent pool* for the organization.

The first part of the system is to attract and select the right people. After the recruitment is done, these people are sent for necessary training, specially designed for the organization, so that they are aligned with the strategic goals of the organization. During their job tenure, they are also imparted with trainings and being coached to prepare themselves for new roles in the organization. It is expected that by the time the organization brings out a 'talent' from its employees, the organization is in a position to engage and reward these employees.

Based on the above principles, and keeping in mind that a four stage model is proposed in this paper. Starting with defining the talents, the model makes some assessments to build a talent pool. Next stage is to plan the careers for the talents in the talent pool. However, to manage the people outside the talent pool, the fourth stage deals with these people who could not enter the talent pool.

THE PROPOSED FOUR-STAGE MODEL

It is being known that not all people in the organization can be termed as 'talent'. Only a few, with their competence, skills and few more extra-ordinary attributes can be grouped as 'talent'. Though we can say that those people are talents, there are few methods so far discussed in literature to find those talents and use them in appropriate places in the organization.

A successful talent management must be systematic and integrated every major process – from recruiting to retirement – that contributes to the maximization of capacity. The proposed model begins at the recruitment and deals with different parts of the talent selection throughout elaborate sub-methods within the organization. Even it has the scope of additional or temporary recruitment options, but that type of recruitment is not encouraged.

In the following, four different stages are discussed. The first stage deals with the recruitment process, which, according to the STM, integrated with the requirement of the organization. The second stage is for selecting people for building a 'talent pool'. The third stage deals with the placement of the selected talents at different positions within the organization. The fourth stage deals with the succession planning.

Stage I

In this stage, the system needs to recruit new employees from a pool of prospective candidates who applied for some vacant job positions in organization. Those positions are advertised, should be linked and defined according to the requirements of the future need of the organization. Therefore, the recruitment process should be aligned with the job descriptions of the critical positions that the recruited people may take up in some future time. After the recruitment is over, new recruits should directly undergo for some training for their necessary orientation of their new job, as well as of their new employer or organization.

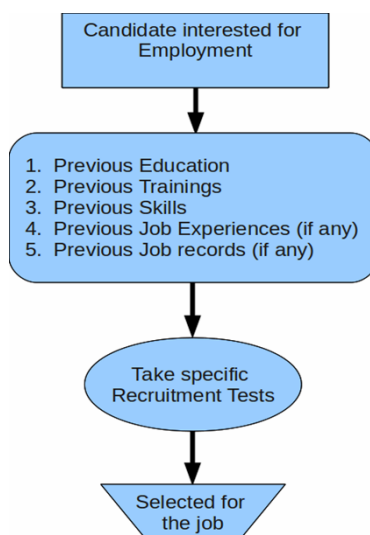


Figure 2. Processes for new recruitment

Stage II

This stage begins assuming that the newly recruited are now ready to assume minor duties and can be engaged organization-wide. The new employees are more concerned with specific job duties and job details. They are able to act of their own and thus contribute to the organization's growth. Sometimes, their competencies are marked, and gradually, these people are pulled through the on-job training programs for further career growth within the organization. They are then evaluated and could be put into the 'talent pool'.

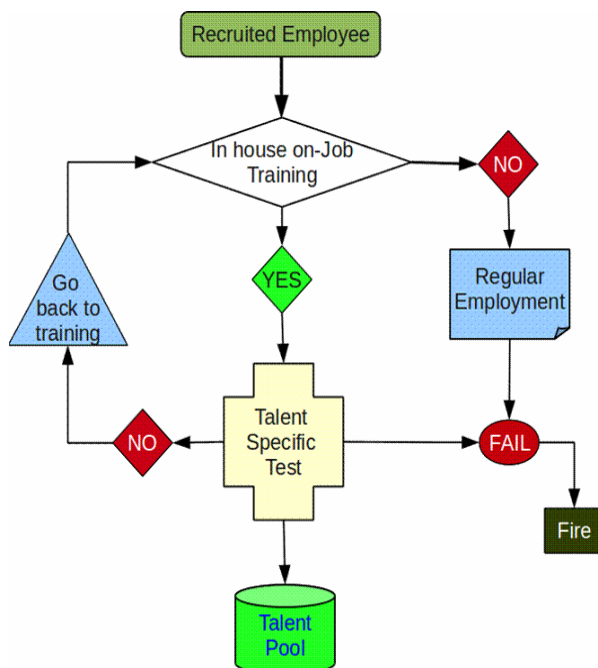


Figure 3. Building a Talent Pool

Stage III

After the 'talent pool' is formed, the organization has now excellent people in hand to be positioned in various ways. There are career growths in the horizontal, in the vertical, or in the both dimensions. Also, there could be hike in salary only; if not other dimensional change is possible. This can also be viewed as prizing the successful people, and help grow their careers. It, in turns, this ensures competence and overall healthy growth of the organization.

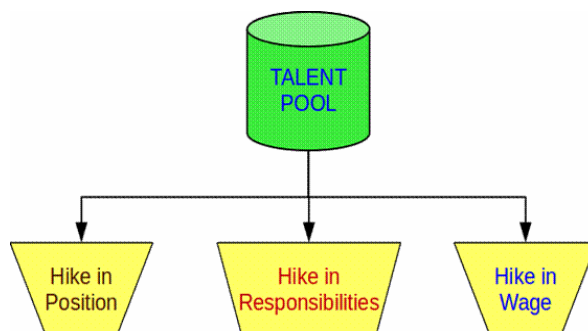


Figure 4. Usages of the new found 'Talent' in different dimensions

Stage IV

Though we could extract few people from the regular recruits as 'talent', there could be some employees who could not pass the examination to enter into the 'talent pool'. There could be some bench marks for these people to provide them with a second opportunity. If provided, these first-time-unsuccessful employees may appear in the evaluation examination again, and if passes the examination in the second try, one may enter into the 'talent pool'. However, it should be recognized that not all who takes the examination for the second time will pass the examination to enter into the 'talent pool'. All the employees who fail the evaluation examination may continue as regular employees in the organization. However, they loss their chances of placement in critical position within the organization forever.

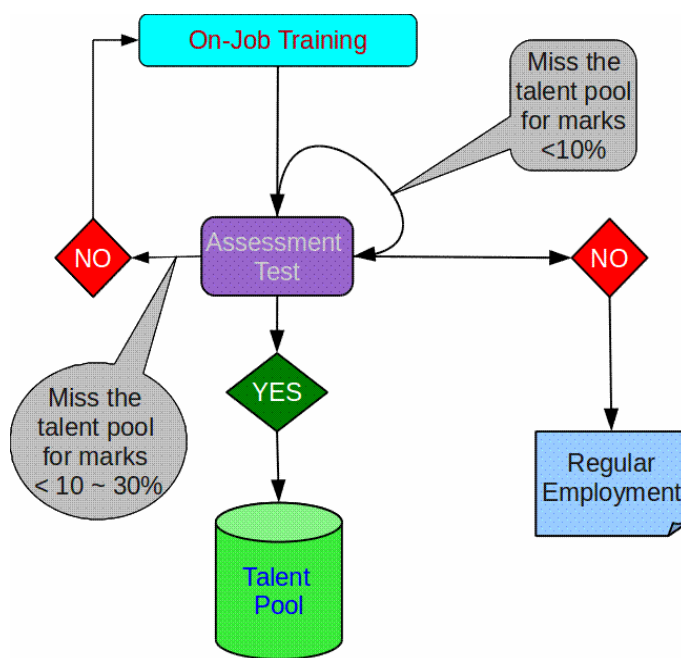


Figure 5. Re-examination Planning

EXTRAORDINARY SITUATIONS AND REMEDIES

In our proposed model in the above, we have seen some aspects where few extraordinary situations may arise and those needs some attentions. Mainly, there could be two major situations. In the first case, the organization may require some temporary employment. In the second major case, the organization may not be able to retain it's employees – both from the talent pool and regular employees.

a. Temporary Employment

If a position is created in the organization that requires people with some attributes that are not readily found in the organization at that particular time, or there are rare chances that someone within the organization may acquire required attributes within a short period of time, then the organization may hire someone for temporary basis. However, it is better to hire someone through the regular process so that the currently employed people are not disturbed. For a healthy job environment, such employments should be avoided.

b. Succession Planning

There could be two options in this category. The few employees may be fired, or few incidents of self-retirements.

Firing Firing is the last option that we shall be considering. The logic behind keeping firing as the last resort as when the recruitment process begins, it will automatically eliminate the people who are unfit for the future positions that they should pass through the assessment examination. Also, firing demonstrates that the process for recruitment was not correct, and internal evaluation processes were defective. A firing is also cost in valuable assets of the organization since the organization spends on each of the employees, after their recruitment, for their training and development.

Self-retirements There could be two different means of self-retirements:

i) Talents leaving job: It is observed that, after being selected in the talent pool, some 'talent' in the talent pool may want to leave the job for better career with another organization. The present organization may put some bindings on her so that she stays at the new position for definite time and her training can be evaluated for further improvement of the organization.

ii) Regular employees leaving job: It is obvious that after several attempts, employees who could not pass the assessment test and remain in the regular employee pool, a regular employee may leave the job. In that case, the organization may evaluate her attributes for the sake of keeping her in the organization and find some opportunities for her, not by providing her with amenities which are not even provided to the 'talent' even.

CONCLUSIONS

The role of talent management gives rise to the development of the career planning. Since most of the career are being planned during the college or university lives of the prospective job seeker, integrating the talent management with the human resource management (HRM) of one organization would duly enhance the prospect of a job before someone opt for any career at an early stage.

Talent Management and Career Planning are to be seen as complement of one another. One of the reasons is that talents are not only confined within the organizations, they are also found outside the organization. These talented workforces have got their own career plan which the organization should realize.

If the proper talents are not arranged nor managed, any development task could face with obstacles which may cause in the increase of cost and time for the organization. For this and many more reasons, talent management should be viewed differently with better emphasis in the organizations – like software development companies, engineering firms, biotechnology related organizations – where talents play a vital role. If compared in pragmatically and dynamical aspects, the classical role of the HRM is far less than the talent management.

Since career planning is important for all the employees of the organization, this aspect should also be emphasized. Career planning maybe thought of as a 'spiral up-ward career progress through a cylinder', it could be seen that there are scopes of "counselor" at the end of every full

circle. If these cycles are termed as “corner stones”, we can visualize the growth of the career of an individual over the years. At the lower level of the cylinder, counseling can play a very vital role for the talents to make up their career.

Another question then pops up: Can we plan the career of an employee through the talent management? Both of these areas are different in perspectives with very less or no research was performed comparing the both. Therefore, solving for a model from this perspective could be a better research opportunity.

Now merging both the career planning of an individual talented employee with the talent management system of an organization could result in a better stimulus for that organization. Interestingly, all the people working in the organization may expect equal treatment as laid out by the organization itself. However, it would be a great challenge for the present HR departments to make reasons for special treatments of those “talents” under the same roof, along with the others – some of whom may already worked for a longer time than the newly hired talented employee.

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