



Talent Management: From Talent Retention To Talent Optimization

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Abstract

Human resource managers all across the world have come to understand that "Talented Employees construct a company and are the gates to success" and are working through the night to develop tactics to achieve this. The abilities and skills of the workforce determine a company's destiny by giving it a competitive advantage over rivals. The aim of this paper is to examine talent management and organizational effectiveness. To achieve this, from literature, the concept of talent management with its dimensions of talent optimization and talent retention as well as benefits of talent management for both the individual and the organization were examined. The only resource that is in short supply is "talented workforce," and businesses have come to understand this. This is the main reason retention is at the top of the human resource manager's list of priorities. In today's dynamic and competitive world, retaining talent is imperative. This is precisely what prompted human resource managers throughout the world to look for a more innovative solution to this dilemma because the previous solutions could no longer maintain the workforce. talent optimization is the process of aligning your company and talent strategies to achieve business results and maximize profits. Talent management, a fresher strategy designed to advance talent retention, was born out of this search for a better idea. Since that time, there has been no turning back. The body of literature on talent management has grown exponentially, and "Talent Management" has quickly emerged as the key to corporate success. Although the idea is not new, its capacity to increase value has just lately come to light. However, talent management as a concept is still relatively new in the Indian context, providing opportunity for a lot of ambiguity and lack of clarity to exist for practicing professionals.

Key Words: Talent, Talent Management, Talent Retention, Talent Optimization.

Introduction

Organizational approaches to talent management frequently focus on how to identify and manage a small proportion of relatively high-performing individuals in comparison to the mass. In recent years, the management of high-performing and high-potential employees (talents) in an organization has attracted attention due to the assumed relationship between how talent is managed and the performance of the organization (Bjorkman et al. 2007, Ready & Conger 2007). Murthy (2010) defined talent management as "managing the entire employee lifecycle from attracting and hiring to promoting and

finding a successor upon retirement. It also includes identification of the key gaps between the talent in place and the talent required to drive business success.” (Jackson & Schuler, 1990) view talent management as the job of “ensuring the right person, in the right job at the right time”. Rothwell (1994) describes talent management as “a deliberate and systematic effort by an organization to ensure leadership continuity in key positions and encourage individual advancement.” Buckingham & Vosburgh (2001) State that Talent is critical because it is the role of a strong human resource function to manage everyone to high performance. Boudreau & Ramstad (2005) have defined the term Talentship – They believe this is a logical, reliable and consistent framework that will lead to better and more accurate decisions about key resources. They propose a direct correlation that exists between the development of talent within an organization and the success and growth of the organization as a whole.

What is Talent Management

According to McKinsey & Company ‘talent’ as ‘the sum of a person’s abilities . . . his or her intrinsic gifts, skills, knowledge, experience, intelligence, judgment, attitude, character and drive. It also includes his or her ability to learn and grow’. Talent management is defined as an organized and strategic process that onboards the right people and helps them develop the best skills while considering the goals of the organization. This process therefore includes identifying talent gaps and open positions, finding and onboarding appropriate candidates, developing within the system and developing the necessary skills, training future-oriented expertise, and meeting business goals. includes long-term effective engagement, retention, and motivation for This definition clarifies the overarching nature of talent management, i.e. how it permeates all aspects of human resources in the workplace while helping the organization achieve its goals. That means hiring the right people and empowering them to move your business forward.

Growing importance of Talent Management

Managers' top priorities in the workplace during the most of the 20th century were material resources like land, equipment, and money as well as intangibles like brands, reputation, and customer loyalty (Dess & Picken, 1999). They made every attempt to reach the efficiency of the two classic production components, capital and labour, but times have changed. changed. In the modern economy, developed economies account for 50% of global domestic product (GDP) Knowledge-based, which emphasises intangible human skills and intellectual assets (Dess & Picken). Organizations have created a highly integrated strategy to talent as a result of these changes. To ensure efficiency, profitability, and long-term sustainable growth, management is essential. (Perrine ,2005).

Organizations will rethink and innovate their methods to personnel management to sustain excellent business performance in a global economy (Ashton & Morton, 2005). Strong participative leadership, organisational buy-in, employee engagement, and workplace scorecards with talent management indicators are necessary for effective

talent management. Companies that excel at talent management will be in a good position to increase employee performance over the long run.

Value Addition And Creation: Acceptable talent management process tests the employee potential and adds a little more value to his skill set. This reduces the chances of errors and creates a learning opportunity. The employee himself gets the reality check of his abilities and strives to perform better by creating newer values.

Effect On Employee Engagement: Poor employee engagement is directly linked to problems with staff retention levels. This can cost the business considerably. In this economic environment, training and development opportunities can be of significant importance to the job seekers and to the present employees. Therefore, providing the employees with the platform to express and connect can increase employee engagement levels to a considerable level.

Increase in productivity of the organisation: A requisite pool of talented employees can simplify the process of achieving a goal by increasing productivity in a given span of time. This further helps in saving time to focus on other business development techniques.

Client satisfaction: It has been observed that companies with a systematic approach to talent management have overall organisational integration which leads to higher client satisfaction. This is because the whole process divides the tasks among the employees based on their abilities and skills and the clients would then have to deal with fewer people which helps in meeting their needs rapidly.

A long-term investment: Investing in talent management has long term benefits. It leads to significant growth in revenue generation, the emergence of innovative ideas and increased efficiency in employee performance. This helps in to maintain and retain the company's position and reputation in the ever-expanding market.

Talent Retention

Many businesses prioritise keeping their most skilled workers, and this is what makes human capital management unique. The difficulty of maintaining their people while they compete in the global marketplace is one that major organisations are currently confronting. In the current competitive business environment, retention of highly talented employees is very important (Smith, 2009) as they contribute positively in improving the organizational productivity. Turnover reduction of these positions is important for organizational success, there is also view that improving employee turnover reduction beyond certain point will lead to diminishing marginal returns (Boudreau & Ramstad, 2007) Dissatisfaction with the job is the main reason for the individual turnover decision.

Major Factors Involved in Employee Retention

Compensation – It includes salary, advance, bonus, rewards, health insurance, and retirement benefits.

Environment – Organizational environment motivates employees to perform better. Positive environment creates positive energy.

Growth – Every employee needs growth in his/her career, and most employees look for growth within the organization.

Support – Support culture helps employees grow professionally and they perform better in their job. Organizations need to support employee financially and emotionally so that they perform better, and feel secured.

Strategies For Talent Retention

Invest In Employees' Careers: According to LinkedIn 94 percent of the employee, said that they would remain with their firm longer if it supported their professional advancement. Employees in the modern market are aware that in order to advance and stay competitive, they must maintain their skills current. Employers may take advantage of their staff members' drive for growth by offering mechanisms like mentoring programmes and funding further education for their personnel.

Recognize Employees' Contributions: Everyone enjoys feeling appreciated, and this is especially true at work. Companies should encourage managers to acknowledge the contributions of their immediate subordinates. They can even go a step farther and recognise employees that go above and above on a divisional or corporate level. That understanding is particularly crucial during the epidemic, when many employees have been required to handle challenging situations despite constantly shifting circumstances.

Employee compensation: It is essential that companies pay their employees competitive remuneration, which means that employers must regularly evaluate and adjust wages. Even if your company can't give you a raise at this point, consider whether you can offer other forms of compensation, such as bonuses. Don't forget to improve health care benefits and pension plans, which can also help increase employee job satisfaction.

Prioritize Work-Life Balance: Work-life balance isn't just a slogan. While remote work and flexible time policies are vital factors in creating work-life balance, they are of little use if employees simply have a lot of money. more to do than they can practically handle, or if the company culture requires them to check their email well after working hours.

Focus on Flexibility: In addition to remote options, employees are increasingly prioritizing flexibility in their schedules as one of their employee retention strategies. Employees who can adjust their schedules to fit family care, medical needs, or even visit

to the bank in the middle of the day can feel in control of their workday, themselves more and able to meet their needs more. This is true even if the total number of hours worked remains constant.

Recognition and rewards systems: Everyone wants to feel appreciated for the work they do. And in today's "anywhere workforce," employer gratitude can have a particularly big impact. So be sure to thank your direct reports who have gone the extra mile and explained how their hard work has helped the organization. Some companies set up formal reward systems to encourage big ideas and innovation, but you can set up attractive recognition programs even if you have a small team or a limited budget.

Continuous feedback on performance: Many employers are abandoning the annual performance review in favour of more frequent meetings with team members. In these one-on-one meetings, talk with your employees about their short- and long-term professional goals and help them visualize their future with the company. While you should never make promises you can't keep, talk through potential career advancement scenarios together and lay out a realistic plan for reaching those goals.

Talent Optimization

Optimization can be defined as making something as perfect, functional, or effective as possible. The term has been widely used in the Efficiency (Stringfellow, 2019) While the term optimisation applies to all resources, human and material, the main target here is on worker optimization, specifically increasing an organization's capability to deliver quality product and/or services, on time, among budget, and to the customer's satisfaction. among this context, Earley (n.d.), at the side of several different authors and practitioners, cue us that workers are an organization's most precious assets, and that optimizing employees is crucial to stay competitive in today's world marketplace.

Aptitudes for Talent Optimization:

Diagnostics – This is where you measure critical workforce data, analyze that data in the context of your business, and prescribe remedial action when necessary.

Design – Here you will create and continuously develop your HR strategy.

Hire - Use people data-driven talent optimization insights to hire top talent and build cohesive teams.

Inspire – This is where you use data to drive critical people-related activities like career coaching, nurturing company culture, and managing people and teams.

Talent optimization essentials

Line up your talent strategy together with your business strategy: Your talent strategy ought to be aligned with your business goals. That way, you'll make sure that you are hiring and developing the proper talent for the right roles. For example, if your goal

is to expand into new markets, you {will need |you'll have} talent with the skills, experience, and natural tendencies to assist you navigate these new markets. this kind of team will perform abundant otherwise than one designed to nurture and grow established markets.

Find the talent you need: A key step in any talent improvement strategy is to spot the kind of talent you need. this implies taking a detailed consider your current force and determinative wherever there are gaps. This includes understanding what skills and skill your staff ought to achieve success in their roles. Once you have known these gaps, you'll begin to develop a concept for a way to fill them.

Building a talent channel: Once you recognize your talent needs, you can start to make a talent pipeline. This includes attracting and recruiting talent, additionally as developing and retentive employees. To attract prime talent, you wish to own a robust leader complete and a solid onboarding arrange to discovered new staff for success. produce proactive short and long-run retention methods for current staff. additionally, to making a piece surroundings that employees get pleasure from and feel valued, style a development program that helps them succeed their current role. you ought to conjointly contemplate upskilling in step with your company's future talent needs, like for brand new product or services.

Conclusion

Talent retention and talent optimization are closely interrelated. If an organization retain good talent then it should optimise it in a well manner. As dynamical demographics have inevitably altered the business landscape, it's typically accepted that organizations are presently addressing the intimidating task of replacement knowledgeable and talented workers. Talent management helps the organization in achieving worker engagement, retention, worth addition and structure performance. Thus, each organization should adopt talent management strategy of optimizing talent attraction, retention, and development. Talent management initiatives will build workers additional committed and engaged with their job to supply most returns. All the amount of management should be concerned within the management of talent which is able to encourage employees and encourage them any if the entire rewards are enticing and social recognitions and self-development opportunities. Thus, talent management allows employees to be actuated systematically and keep their morale positive.

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