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Talent Management: A Key to Success in Any Organization -Perspective from Bangladesh

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Abstract:

One of the major challenges encountering corporates all over the world to building, retaining and sustaining talent human capital. Doing the business as well as to adapt shifting demographics and diversified work forces, corporates have to strengthen their capabilities and rejuvenate their organizations. Era of globalization requires companies to attract human capital and retain them for the very best output so that the employees can compete internationally. The study analyzes literature review on talent management, best ways for talent management, challenges and recommendations. Companies operating in Bangladesh are also practicing talent management issue since long. Bangladesh being USD 172.9 billion GDP country operating top tier companies employing thousands of people and the number is growing day by day. This study thus analyzes key strategies for talent management aligning success to any organization with a perspective from Bangladesh. Findings reveal that talent pool to be retained through proper remuneration, good work environment, participative decision systems and alignment with organizational strategy and for the success of the organization. This study also find out that successful organizations need to consider long term plan, clear definition of talent, identify required skills for talents, target groups for implementing the talent management strategies for grand success of the organization.

Keywords: Talent management, talent retention, employee development, human capital in organization, global talent management strategy, best practices of managing talent workforce.

1. Introduction

Talent consists of those individuals who have specific traits like skills, knowledge, intelligence, judgment, attitude, ability for self-improvement, resourcefulness and influence (Wilska, 2014). As per Listwan (2010), talents are outstanding potentials for any organization. Cheese (2008) defines talents who have several attributes like skills, experience, knowledge, positive attitude, willingness to learn, flexibility and for organizational perspective they should be acquired, developed and retained in line with achieving goals. Thus, talent has been defined by different researchers in various ways. Whatever the definition, in organization workforces who are performers, have positive attitude towards works, have ability to solve the problem quickly & in a right way and have the potential to grow along with the organization are the talents. Talent resources are human resource capital and developing and retaining such talents now a big challenge for organizations. In 21st century, organizations face complex problems requiring quick decision making which to be sustainable in nature. Any wrong decision will jeopardize the organization and deviate from achieving organizational goal. Organizations implement different theories for betterment of the organization and maximizing shareholders wealth, however if talent resources are not there, no theory will be sustainable. An organization cannot run by inefficient workforces who have no urgency or have no ability to prioritize works assigned to them. Also people who have no skills, attitudes, influences towards others have no use for the organization. Therefore, recruitment of talent people, developing them, grooming them up, assigning new and higher responsibilities and retaining them by proper remuneration, cognitive work environment and opportunities for step into the growth ladder are factors which talent management sought for.

2. Literature Review on Talent Management

Present burgeoning concept and importance of talent management developed by McKinsey & Co. (2001) in his research highlighting importance of talent resources in competitive and challenging business environment. Since 1970's Schein (1978) also researched importance of human capital management

Fitzgerald (2014) defines talent as the summation of Competence, Commitment and Contribution. As per his opinion talent management should consider full work force and inclusiveness of all employees so that top most performance of all employees may be delivered towards organizational goal achievement.

As per UK Commission for Employment and Skills (2013), in the organization talent is observed as the natural ability for achieving success, basic attributes of talent resources are skills, knowledge, intellectual ability and potential for development.

Taha et al (2013) identifies that in any organization talent are those who are creative and innovative, highly motivated with ability to learn, proven skills in similar field, ability to perform assigned task independently.

Ashton & Morton (2005) stated that a single consistent or abridged definition of talent management cannot be given, as it is broad concept and requires several processes. Talent work forces have the potential and value aligning with organizational goal and the work forces are always adding value to the organization. Building, nourishing and retaining talent pool always a challenging issue for the organization, since organizational success and failure mostly dependent on talent human capital as the competencies of talent resources are of strategically important.

According to Chartered Institute of Personnel and Development (CIPD) (2012), systematically attract, identify, develop, engage, retain, deploy individuals significantly important to the organization, may be the high potentials for the future or for their fulfilling critical roles in the organization- is known as talent management. CIPD research found that two most popular tools user by organizations for managing talents – (i) in house/ within office development program and (ii) coaching program.

Michela et al (2001) identifies in his research that the idea of recognizing and managing high potential talent resources become burgeoning important for any organization. Examples can be given where lack of talent resources cause organizational greater loss and subsequent dissolution gradually day by day. Bangladesh being a least development country shifting towards a medium developed country with GDP of almost 7%, country budget of USD 2,500 billion and approx. 3 million work forces involved in private sector organizations. Research indicates that people who has solid knowledge base and quality experience both these makes assurance to the organization that any strategy can be properly implemented and organizational goal can be achieved with those talent resources.

As per Collings & Mellahi (2009) talent management is one of the main driving forces for organizational success. Management of talent resources is the establishment of integrated strategies to enhance work force productivity by alluring talent pool, continuous developing, keeping, promoting and maximum utilizing them with diversified skills and to meet up complex business requirements. There are various factors by which talent management can be effective.

As per Wilska (2014), talent management factors included positive and negative influences and internal and external factors to develop knowledge, abilities and sharpness in employees so that they align with 21st century requirements. Internal conditions includes corporate culture, management systems and leadership, corporate image, budget, personnel division and external factors include policy, competition, co-operation with environment, socio-economic situation and legal aspects.

Beechler and Woodward (2009) research finds that due to knowledge drive and cultural change dynamics employees require cognitive capabilities, extensive relationship management and leadership skills, organizations become more complex and to for survival and sustainability developing and retaining talent resources are main concerns of organizations.

Research of Lewis & Heckman (2006) found that clarity regarding objective, scope and overall goals of talent resource management should be obtained otherwise organizations goal will not achieved. It is challenging as well as significantly important for organizations future. Heckman research found that organization should be filled up with top performers, continuous emphasize to be given to manage under performer employees and top performers to be recruited, developed and exceptionally rewarded for their roles and for organizations particular needs.

In their research Terry, Gill and Derr (2013) emphasized on internal carrier i.e. career orientation concept as leveraging factor of talent management. They conducted research on 87,000 participants between a period of 15 years revealed following four attributes - leadership development, interpersonal skills, managing others, effective communication are traits of talent. He opined that human resource department should give attention to these traits and make workplace such a place so that talent people can work for achieving organizations goals.

As per Perrin (2003), talent management strategy focuses on 5 core areas-attracting, selecting, engaging, developing & retaining human resources. Perrin completed the study on 80,000 full time employees in USA and Canada working at medium and large organizations. Perrin study found out that

Baqutayan (2014) found out following seven attributes for talents- Become more innovative, always participate in teamwork, use of more emotional intelligence, positive mindset, positive attitude, professionalism, ambition. As per Baqutayan's opinion, management of organizational human resources by retaining the right individuals at the right time and for the right position is talent management. Baqutayan opines that talent management eventually leads to better business performance. Rogers (2008) also identifies similar attributes like Baqutayan (2014). Research of Lichtenberg, Woock & Wright (2008) also agreed to have right talent in the right position.

Thus research and studies reveal various ideas and themes about talent management theories. In common it can be said that, the talent management idea focused the organizations to be aware and identify human resources for present and future goals of the organization. Organizations align the talent management strategy in line with organizational strategy. Above all, to maximize bottom line profit organizations always seek sustainable ways to measure talents and their management. A study by Deloitte (2005) finds that approximately forty three (43%) of the organizations strategize for retaining talent resources due to significant impact on their business portfolio on such talent resources.

3. Objectives of the Study

The objectives of the study are as follows:

- 1) Literature review on talent management
- 2) Effective ways for talent management and Importance of talent management for success of the organization
- 3) Building a model on talent management
- 4) Talent management practice in Bangladesh local and multinational companies

5) Making suggestions and recommendations for Bangladesh Perspective.

4. Research Methodology

This article is based on descriptive analytical review on talent management related works worldwide mainly from secondary sources. The secondary research includes literature reviews, websites of different HR related sites and books. Different websites are thoroughly reviewed, numerous articles, journals, research studies are analyzed on talent management issue. This study also shows examples from Bangladesh regarding talent management. For Bangladesh part, information collected from source like websites, annual report of publicly listed companies and monthly/quarterly reviews published. Also information collected by authors own direct interaction with HR related people in different organizations in Bangladesh. Top Local Banks, NBFIs, Multinational Companies (MNCs), Manufacturing companies and other service related companies are researched for finding out their talent management strategies and their opinion regarding how talent management aligned with success of the organization. A questionnaire was designed to survey the organizations with issue related to organizations perception of talent, ways to retain talent, overall talent management strategy and achievement of organizational goal with talent resource pool.

5. Effective Ways to Talent Management

After defining talent, organizations look for ways to coach, motivate, retain and making leaders out of them for achieving organization goal. Paths of talent management is not that simple, due to globalization organizations face tremendous competition from peer group companies, so attracting and retaining right people for right job always a challenge for organizations. The process starts from recruiting people by identifying true potentials. Post recruitment strategies to follow proper placement, right desk, specific career plan, proper reward system, compensation as per industry standard and high compensation/benefits for superior performers, continuous training, leadership development and strategic direction in line with organizational goal.

➤ Support from the leadership tree	➤ Individual professional development
➤ Retention strategy	➤ Compensation and rewards
➤ Strong leadership of the program	➤ Retention strategies
➤ Leadership development	➤ Team development
➤ Succession planning	➤ Career planning
➤ Strategic direction	➤ Workforce planning
➤ Systems of rewards	➤ Diversity initiatives
➤ Performance management	➤ Acquisition of outsourced or contract talent
➤ High potential employee development	➤ Flexibility /adapt to changed environment

Table 1: Ford (2010) found these Talent Management tools or component for the organization

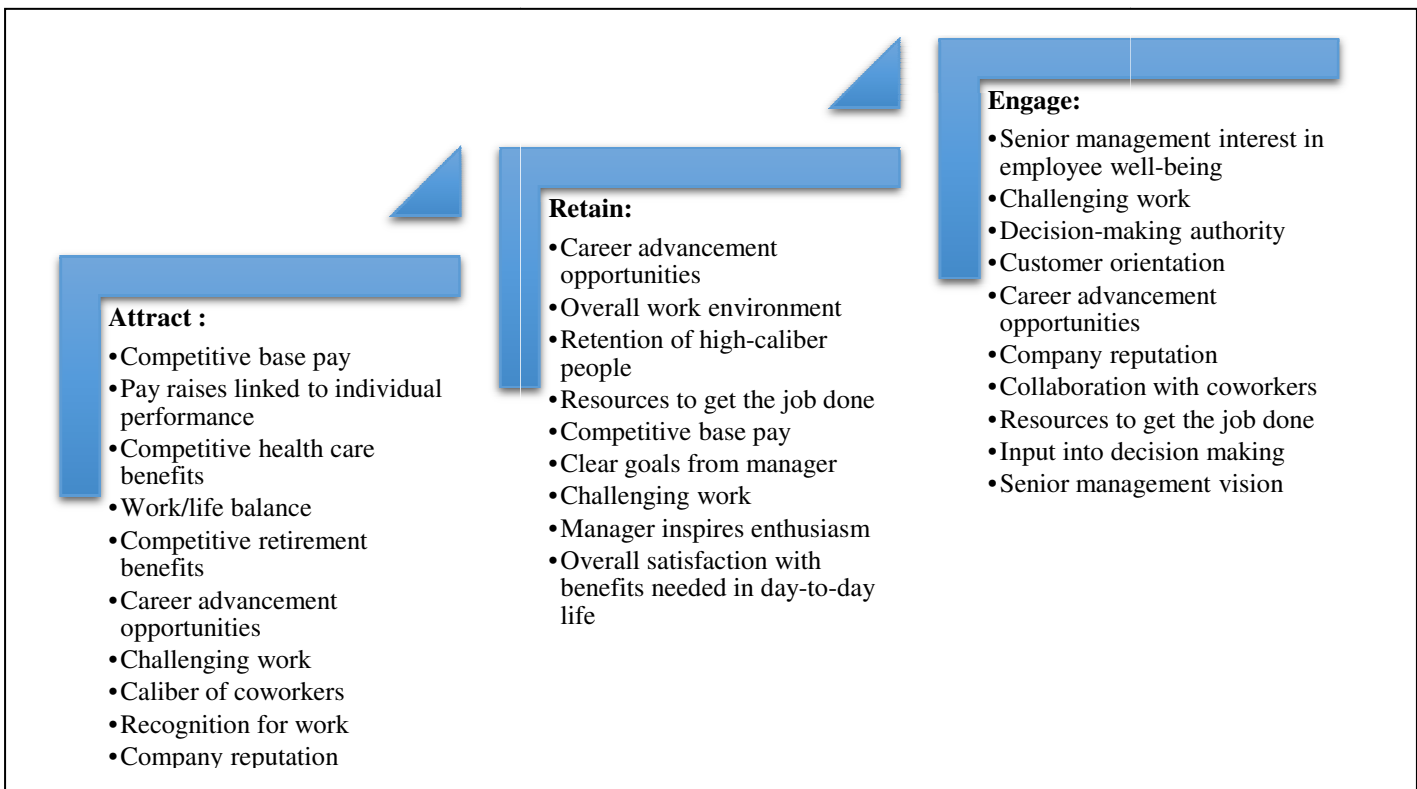


Figure 1: Perrin (2003) found these ways for attract, retain and engage the employees in the organization

Tansley et al (2007) has defined talent management process as attracting developing, managing and evaluating talent pool in the organization. Gunter et el (2012) has found following six principles of talent management (i) talent management must be aligned with corporates strategy, (ii) this should be consistent internally i.e while implementing talent management practices, companies also to focus retention plan, reward system and career plan, (iii) cultural integration or embeddedness (iv) involvement of management (v) there should be a balance in global and local requirements/needs (vi) companies willing to recruit talent people should brand themselves through differentiation. MIT research on 18 companies found convergence of talent management practices due to several factors like same talent pool is hunted by all companies, companies image and success and global consistency in terms of talent recruitment, retention and development.

→ In UK’s Asset Skills Talent Management Strategies Research Report (2012) identified following approaches of talent management for the development of organization:

Name of talent management program	Targeted Employees in the Organization
Inclusive approach	Everyone
Executive talent pool approach	Senior management level.
Future Leaders approach	Potential employees as leaders
Succession Planning approach	Employees with skills & capabilities to take the top management position when required.
Blended approach	Combination of above approaches.

Table 2

The effective ways for managing talent actual depends on how organization defines talent, what they seek from talent and how to manage the talent pool to achieve organization goal. All talent management approaches seem convergent since profit oriented organizations seeks talent people to look after the business and give prompt decision at a point of time. Due to continuous shift of business dynamics, complex market dynamics, good signaling to investors as talent resources run the company and reputation and brand image issue organizations look talent management as vital important to them.

Moreover, organizational success (maximization of shareholder’s wealth) depends on efficient talent resources who run the company by delivering their best and maximum services. This also cost efficient since non-performers creates fat for the organization and increases only costs for the organization.

6. Model for Talent Management

Upon analyzing various researches a simplified model for talent management can be depicted as per below. The model started from attracting talents and ends on evaluating telnet pools with proper succession planning which must adhere to the organization overall goal.

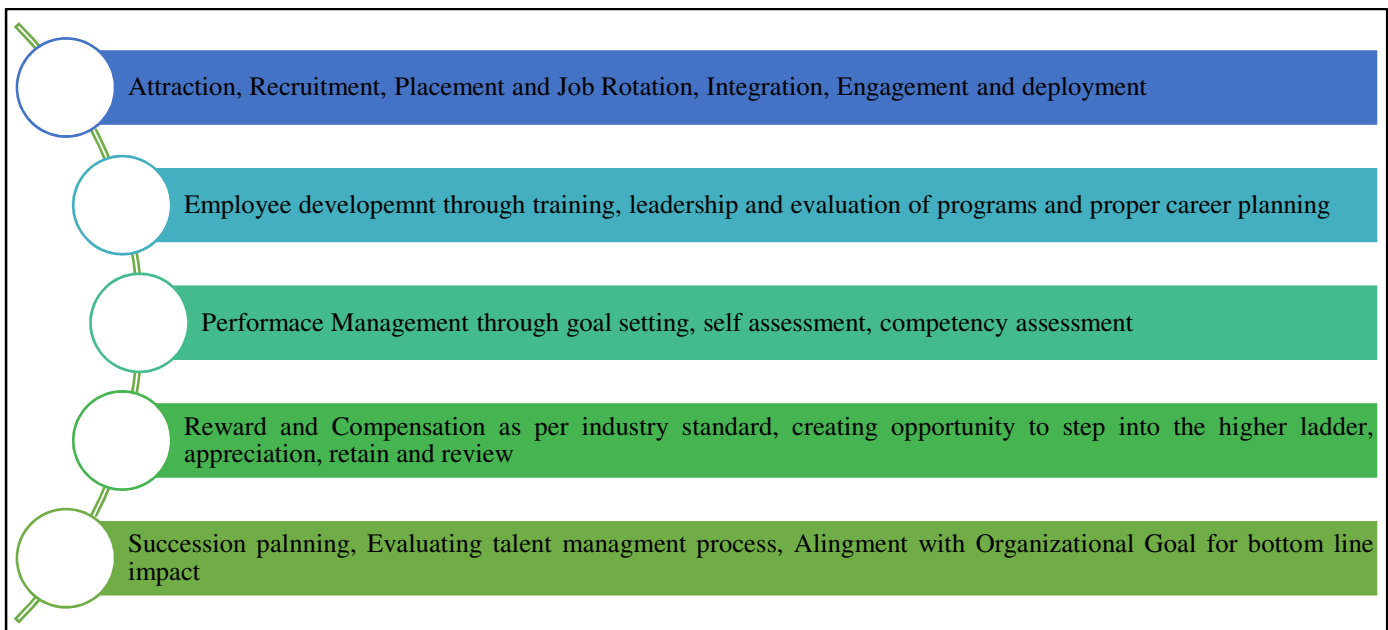


Figure 2

7. Examples from Bangladesh

In Bangladesh talent management programs can be found in both local and multinational companies specially banks, NFBIs, FMCG, telecommunicating companies, IT companies. Structured organizations in Bangladesh whether in FMCG (consumer goods) companies like Unilever, British American Tobacco, Foreign Banks (HSBC, Standard Chartered Bank, Citi NA), Local Banks & NFBIs (like AB Bank, Eastern Bank, BRAC Bank, The City Bank, IDLC, IPDC) follows rigorous talent management program to attract, develop, retain and making leaders through their talents. Almost similar programs followed by most companies researched. Everyone extensively search to recruit best talents who will ultimately can lead the management of the companies at one day. Talent management process starts by recruiting through extensive written exam followed by individual presentation, then interview in front of Board of Directors or top management (CEO). Recruited personnel are then trained up (one the job training) for around six to one year and thereafter placed to specific job. After three to six months they again evaluated. Negatively evaluated individuals are either disposed of or offer support jobs. High performers are posted to specific job role, continuous training given to them ranging from job areas to leadership skill development and gradually taken them up for higher position with additional tasks. Meanwhile evaluation continued at specific interval like six months or one year and appropriate rewards and compensation are provided. Super performers also provided exceptional rewards so that they engage and deliver their maximum effort for the organization. Companies also posted the talent pools to different places if required so that locational barrier minimizes for a successful career.

Problem is that due to limited talent resources most companies look for same resources and most talent people immigrate to other countries causing brain drain. Moreover, after recruitment due to some demotivating factors like non inclusiveness, lower compensation than peer group, offering of higher position, intrusive work environment, non-strategic direction, no career plan and absence of leadership – these factors lead to shift talent resources from one organization to another. Summary of the strategies taken by Bangladeshi companies are provided in following:

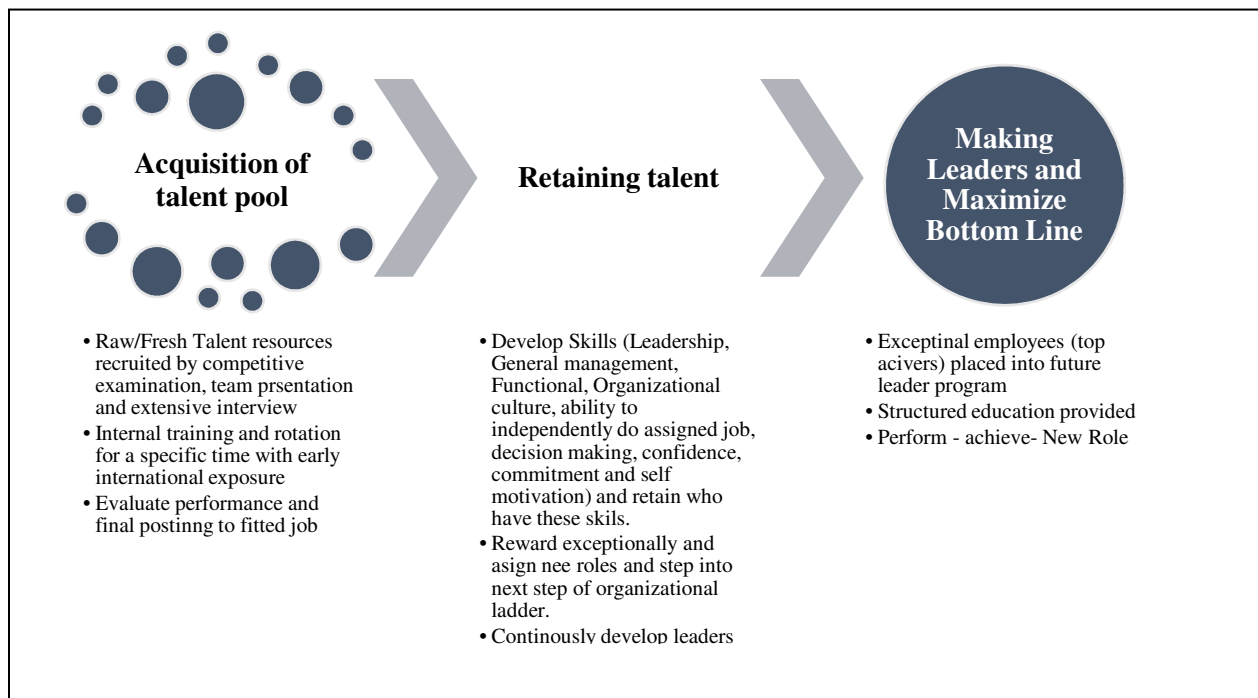


Figure 3

8. Challenges of Talent Management

Globally fierce competition exists for recruiting and retaining right people for right job and many organizations have talent deficiency. Due to globalization effect, liberalization of trade policies, organizations relocation for competitive advantages, increase of global supplies - many changes occurred in organizations as well microeconomic and macroeconomic perspectives. To cope with changed environment demand for skill employees now is in upward trend and also a big challenge. As talent resources migrate from one country to another it creates vacuum within the country. Due to increasing demand organizations now developing policies and ways to attract, retain talent resources for the betterment of the organization as well as for the country. Many countries now encourage their educated students to come back to country after study from abroad. Also, the foreign country tries to keep the talent pools for serving their country. Research indicates that organization having similar global working standard, remuneration policy, performance management, leadership development and opportunities for professional development are specific choice for talent resources. Organizations also face peer group pressure after recruiting talent workforce. Proper mentoring, work environment, participative attitude and professional bondage helps from shifting one organization to another. Organization must research why their best resources quit and work on that very quickly so that another best resource can be kept.

9. Conclusion and Recommendations

Due to competitive advantage talent management is of significant important issue for the organization. Organization must have to set short term and long term goals, define talent clearly and recruit, manage and retain talent resources at the right time with right people for the right job. A talent can be any one, however selecting talents and developing them rightly eventually make success for the organization and achieve bottom line profitability. Tucker (2005) clearly identifies that talent management was not exactly identified over past decade. Also the issue now continuously emerging with new ideas since no exact formula can be found and managing talent workforces depend on numerous factors continuously changing with the changed demographics. The study tries to give overview about talent resources and ways to manage them to achieve organizational goal. The study also proposes a simplified model for managing talents starting from selecting and grooming up to the final step of organizational hierarchy. Talent management strategies depend on numerous factors and organizations must set strategic approach on which they would land for managing talent pools. If not taken proper decision in right time, this would jeopardize achieving organizational goal in right time.

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