

**TALENT RETENTION STRATEGIES: A SUSTAINABLE
APPROACH IN BUSINESS**

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ABSTRACT

Talent is one of the most important assets of an organisation and the challenges and strategies of attracting and retaining the talent in a very high degree of diversity and uncertainty in the business environment is essential in present strata. The study facilitates development of unique employee value proposition based on the person need-fit of talent.

To deliver the greatest impact, talent retention management must be ongoing, dynamic and adaptable process, aligned with the organisation's business strategy and continually monitored and updated based on feedback and result through knowledge management system. And it is essential for all the organisation's stakeholders and HR to plays an active role in developing, implementing and tracking talent management.

Key words: Talent Management, Retention Strategies, Knowledge Management System and Talent acquisition.

INTRODUCTION:

The importance of people has long been recognised in the speeches of the chief executive officers and is regularly alluded to in corporate annual report (Colin Coulson Thomas 2012). The current business environment is marked with challenges of intense global completion, rapid technological changes, growth of the knowledge economy and the need of flexibility and expertise in the workplace (Catteeuw et al., 2007; Wickham and O'Donohue, 2009). This has resulted in the changing skills and competency requirements. Concomitantly, due to the pressure of a changing technology and demographic base, the demand for intellectual capital-a cadre of highly skilled, independent and mobile individuals is exceeding (Ewing et al., 2002; Ployhart, 2006). Hence, organisations are increasingly trying to asses and enhance their management strategies for prospective applicants (Highhouse et al., 1999). This

had critical consequences for the recruiting organisations to lead the most pressing problem of acquisition, management and retention of talent.

REVIEW OF LITERATURE:

As TM is a relatively new topic in HR, first introduced as a unified concept in the 1990s, there is still ambiguity and a lack of agreement in terms of its definition, nature, and features (Collings & Mellahi, 2009; Garrow & Hirsh, 2008; Iles et al., 2010; Lewis & Heckman, 2006). The concept from a supply chain perspective, Cappelli (2008) proposed four principles for operating TM more effectively. The four principles are hiring or developing talent according to the business strategy as an investment; reflecting the uncertain future; improving the cost-efficiency of employee development; and balancing individual and the organizational interests in development investment.

Integrating recent definitions and perceptions on TM, Collings and Mellahi (2009) proposed a definition for TM emphasizing its strategic aspects:

Activities and processes that involve the systematic identification of key positions which differentially contribute to the organization's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization (Sehoon Kim and Gary N. McLean, 2012).

If managing organizational competency helps prioritize types of learning and technologies, talent management is to create a system to draw, develop, and retain the talents. The media-rich and culturally diverse environment of HRD (Human Resource Development) implies that an HR system that swiftly and effectively locates, places, enhances, and rewards experts and expertise in environments, (Rosenberg, 2006 and Ardichvilli, 2008) and is important. Talent management needs to be a part of HRD practices and involves recruiting, selection, development, and career and succession management (Garrow & Hirsh, 2008). It is also a set of processes designed to ensure an adequate flow of employees into jobs throughout the organization (Schweyer, 2004). Talent management contributes to building proactive learning and performance culture, engagement, capability, and capacity through integrated talent acquisition, development, and deployment processes (ASTD, 2009). Its primary focus is on

increasing the capacity of high performing and high potential talents committed to the organization (Collings & Mellahi, 2009).

Forward-looking organizations are constantly changing their strategies for building the workforce. Key characteristics of growing organizations include cultivating existing talent rather than recruiting new people, improving employee satisfaction through personal career plans and development opportunities, planning ahead for succession of mission critical positions, and actively acting on performance management (Cappelli, 2008). Technologies, such as system analytics, database queries, and user tagging and rating can facilitate these tasks by locating talents based on credentials, interests, or content ownership, filtering active contributors to Knowledge Management Systems, or examining the concentration of interactions and information flow within networks. Organizations need to create a unified system that aligns organizational learning with knowledge and performance management (Schweyer, 2004; Yoon & Ardichvili, 2010).

TALENT MANAGEMENT AND RETENTION STRATEGIES:

Talent management programs run the gamut of maturity, sophistication and complexity. The most basic programs focus almost entirely on filling open positions with qualified individuals to contribute to the organization's success, is a fully integrated approach that addresses all segments of the talent management cycle— recruitment, development, engagement, retention and transition. Any organization that maintains a perpetual succession needs to maintain a truly global perspective for consistent implementation of talent management throughout a diverse culture. At the strategic level, an organization may be inclined to focus its talent management efforts primarily on senior leadership. But talent includes the entire workforce, and reducing risk associated with talent management means making sure there are qualified, ready employees to fill every key position.

Talent management must recognize the importance of determining an individual's behaviour in respect to the organization's vision, mission and values. Therefore, an effective talent management strategy should look for some key components, which must be aligned with the organization's vision, mission and values and help drive strategy and objectives to achieve business results as follows:

Workforce Analysis and Planning: To improve talent management process, an organization needs to fully understand its workforce demographics, costs and issues while continuously analysing such issues based on future business needs and objectives. Such an analysis can help the organization identify gaps in talent needed for crucial positions and determine the types and numbers of individual needed in the workforce in a specific time.

Role and Competency Design: Role and competency design is a highly collaborative process that involves gathering incumbent data, best practices and observation. Organizations has to define its core competencies to reflect organization's vision, mission, values and business strategy (K.V.S. Krishnamohan and Pavan Patel, 2010). Non-core competencies are typically specific to a certain position or business unit.

Recruitment and Onboarding: According to the (Ernst & Young, 2008), 71% of responding organizations do not consistently acquire talent that represents a good fit for the organization. Organizations need to hire the right people have a sourcing, screening and selection process that identifies candidates with the right knowledge, skills and experiences to perform in a particular position, and an on-boarding process is also required to make the new hires quickly immerses in the organization to reduce the amount of time required to achieve full proficiency.

Recognition, Rewards and Engagement: To attract, retain and engage committed and productive talent, an organization needs to identify and focus on what matters most to employees and potential hires, such as competitive pay, career advancement opportunities and work-life balance (Jim Gionfriddo and Lalit Dhingra, 1999). Only one out of every five employees is fully engaged in his or her job, according to the (2007–2008 Towers Perrin Global Workforce Study). According to that same study, another 38% are partly or fully engaged, whereas 41% are enrolled (Bill Leisy and Dina Pyron, 2009), meaning that they are on the job and contributing, but not putting in the extra effort that could benefit the organization and improve business performance. Effective use of recognition and rewards can improve engagement, which in turn can lead to improvements in employee and customer satisfaction as well as growth in revenues and profitability (Saket Jeswani and Souren Sarkar, 2008).

Performance Management: Although most organizations are good at measuring business performance, many still struggle with measuring individual performance and providing constructive feedback. Performance management programs with continuous planning, communication and monitoring and objective appraisal methods can elevate employee performance and positively impact overall business results.

To achieve successful performance management, the organization needs to (Bill Leisy and Dina Pyron, 2009):

- create a culture in which performance matters
- focus on the right performance measures
- train managers in performance management
- set clear expectations for employee performance
- provide formal and informal feedback regularly
- evaluate both performance and impact on results
- link competencies to performance indicators
- link compensation to performance results

Learning and Acquisition: To reduce deficiencies among current talent and prepare employees to meet future business needs, top-performing organizations create learning maps and training activities appropriate for the workforce. Specific development needs and audience demographics should determine the approaches used for learning and development. To shorten the learning curve and reduce gaps in learning, the organization should employ several of the following different approaches:

- On-the-job experience, including job enrichment and enlargement, rotational assignments, cross-functional shadowing, special projects committee assignments, task force participation, presentations delivery, reports preparation and conducting a new program (Lakhwinder Singh Kang and Harpreet Sidhu, 2011);
- Mentoring and coaching, including development plans, coaching and feedback, career advising and teaming with subject matter experts; and

- Training and education, including courses, seminars and conferences, online learning or e-learning, simulations and workshops.
- Self-Development

Leadership development is critical at all levels in an organization, not just the management level. Acquiring and enhancing an individual's ability to establish a clear vision and goals—as well as to motivate and guide others to achieve the vision and goals—drives in the organization.

Career Mapping: Creating detailed career maps for high performing employees will help these individuals match their long-term professional goals with organizational opportunities (B. K. Punia, 2004). Through this exercise, specific action steps can be identified to properly develop, retain and engage employees for the duration of their careers within the organization.

Succession Planning: Successful organizations are focusing on succession planning in all key areas of the business—not just in the executive suite. Fruitful successions follow a distinct and deliberate process that identifies and readies a qualified pool of talent in advance of need and provides for a seamless transition from both a leadership and operational perspective (Mark Busine and Bruce Watt, 2006).

Today, succession planning has taken on a heightened value because of an increase in executive turnover resulting from poor organizational performance, substantial downsizing and reorganization and the loss of critical skills and talent from retirements. Organizations are understandably on edge about the “fit” of the individual being hired.

The financial repercussions of a poor hire can be noteworthy, but the nonfinancial repercussions, such as poor morale, key turnover and risk exposures, can be even more significant. Developing strength within the organization can yield internal successor candidates so that the organization will not have to look externally to fill a newly open position.

Deployment and Retention Strategies: Once the right people are on board, it is essential to deploy them in a way that will develop their knowledge, skills and experience, utilize their strengths and match their competencies and interests to short-term and long-term business needs. Deployment must also be reevaluated regularly in light of changing business needs.

Effective deployment and redeployment strategies can address unsettling trends in the workplace. Concerns about work/life balance are leading fewer employees to seek jobs with greater responsibility, according to the 2002 National Study of the Changing Workforce. The same survey found that 52% of employees who do seek greater responsibility do not perceive a clear path to advancement within the organization that employs them.

To achieve success in the first eight talent management components discussed above, the global organization needs to plan and carry out deployment and redeployment strategies with an eye toward fostering global mobility among future leaders. By moving across borders and between cultures, people have opportunities to gain the international experience and context that are necessary to successfully lead a global organization. But in these instances, it is also critical for employers to convey to their employees that by taking on such roles, they will not be “left out.” Their talent and career paths will be aligned with that of the overall company.

If organizations desire to retain the percentage of their engaged talents in their organization, they have to formulate strategies comprising of various engagement drivers that are not only essential in terms of performance and retention but also important to compete in this fast changing environment. The employer should focus on the defined characteristics of an engaged talent and by inculcating it in the formulation of strategies to implement for talent retention. The above mentioned drivers help the employers to formulate strategies for engagement which further leads to increased performance and retention of talents. Therefore, organizations must focus and use their resources and energy only on converting the employees into engaged talents by using the mentioned drivers of to perform and retain.

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