Effects of Talent Management at Workplace: A Theoretical Review

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Abstract

Today's business climate is expected to stay highly turbulent for years to come and is global, complex, dynamic, and competitive for the majority of organisations. Global difficulties that most organisations are currently dealing with include those relating to talent flow, managing two generations of employees—older or more experienced workers and younger workers—and a lack of necessary capabilities. A crucial strategic problem for multinational corporations, talent management is considered to be a multidisciplinary bridging area that has recently developed from the strategic international human resource management (HRM) and talent management domains. The development of talent management is traced in this paper using a systematic and thorough review, which also suggests a research agenda to advance the area. The field of talent management is still in its infancy despite considerable academic and professional interest. The lack of a uniform definition and distinct conceptual limits for talent management is a major problem. The study support future talent management research by assisting researchers in defining the conceptual parameters of talent management and offering a theoretical framework that may assist researchers in structuring their research endeavours in the field.

Keywords

Talent Management, Talent Pools, Global, Literature Review, HRM

I. Introduction

The phrase "talent management" is a recently coined expression encompassing various well-established methodologies designed to ensure the appropriate individual is placed in the suitable role at the proper moment, fostering their triumph **(Cappelli & Keller, 2014)**. These methodologies encompass succession planning, career administration, staff augmentation, personnel growth, and manpower projection, among other facets **(Chambers et al., 1998)**. Talent management of knowledge workers and high potentials has become

increasingly significant for global organizations **(Tymon et al., 2010; Vaiman, 2010)**. The interest in talent management has grown among senior managers and scholars alike since the late 1990s when McKinsey consultants introduced the term "the war for talent" to emphasize the pivotal role that leaders and high potentials play in the success of prominent companies **(Boudreau & Ramstad, 2007; Farndale et al., 2010; McDonnell, 2011; Scullion & Collings, 2011)**. This concept has surfaced as a crucial discourse concerning human capital in the early 21st century **(Cascio & Aguinis, 2008).** Due to the ambiguity around definitions and terminologies, as well as the numerous assumptions made by writers who write on TM, it is challenging to pinpoint the exact meaning of the phrase "talent management." **Lewis and Heckman (2006)** identified three primary streams of thought related to the concept of talent management. The first stream involves individuals who simply replace the term "talent management" with "human resource management." Research conducted within this tradition often narrows its scope to specific human resource practices, such as recruitment, leadership development, succession planning, and related areas **(Collings & Mellahi, 2009)**. A second body of literature underscores the creation of talent pools with an emphasis on "projecting employee/staffing needs and overseeing employee advancement across positions" **(Lewis & Heckman, 2006).** The third thread of research centers on the administration of individuals with high potential. This literature asserts that all organizational positions should be occupied by "A performers," a concept known as "top grading" **(Smart, 1999)**, while also highlighting the necessity of managing "C players," or employees who consistently underperform, by facilitating their exit from the organization **(Michaels et al., 2001).** Recent research indicates that achieving a more balanced alignment between organizational requirements and the incorporation of individual goals and expectations into talent management approaches is crucial for the retention of high-potential talent **(Farndale et al., 2014).** The core aspects of talent management encompass employee attraction, selection, engagement, development, and retention **(Oladapo, 2014)**. The imperative to maintain a competitive edge propels the ongoing requirement for effective talent management due to the demand for human capital **(Aibieyi & Henry, 2015)**. While compensation and benefits serve as initial enticements for employees, leading organizations in terms of leadership prioritize the retention and growth of talent **(Lockwood, 2006)**. Employed as a mechanism to oversee specific workplace encounters for each employee, the talent management process assumes a regulatory role **(Perrine, 2005).**

Incorporating talent management into workplace facilitates the establishment of an organizational-wide talent mindset **(Cohn et al., 2005)**. Additionally, this approach engenders a sense of recognition among talented individuals, leading to heightened motivation and increased commitment **(Gandossy & Kao, 2004).** Previous research indicates that appreciation and recognition have been linked to increased commitment **(Beechler & Woodward, 2009; DeConinck & Johnson, 2009)** as well as elevated job satisfaction **(Herzberg et al., 2008)**. Moreover, the adoption of this strategy should contribute to the improvement of work quality, given that experience serves as a fundamental source of learning **(Kolb, 1984)**. The extended tenure of talented individuals within a company also results in the accumulation of higher levels of company-specific knowledge and qualifications. Considering prevailing workforce trends, such as evolving demographics, expansive global supply chains, the maturing workforce, and escalating worldwide mobility, proactive leaders within organizations must reevaluate their talent management strategies to effectively leverage available talent

resources **(Frank & Taylor, 2004)**. This adaptation positions leaders favourably for achievement within a fiercely competitive market. Moreover, the retention of talent is significantly influenced by factors encompassing organizational culture, employee engagement, and leadership development **(Frank & Taylor, 2004)**. In light of these considerations, adopting an integrated approach to talent management emerges as a viable route toward upholding exceptional business outcomes **(Ashton & Morton, 2005).**

The realm of talent management encompasses five key domains: recruitment, performance management, succession planning, training and development, and retention. Each of these five elements holds substantial significance within the framework of talent management, collectively constituting a comprehensive array of processes that organizations must implement to effectively oversee the talent required for executing business strategies **("A Framework for Talent Management," 2007**; refer to Table 1). These five categories, which shape the trajectory of talent management, form a cohesive process through which organizations must engage in the identification, acquisition, deployment, development, and management of personnel essential for attaining a competitive advantage. Given the challenges encountered or anticipated by every organization in the immediate future, it is incumbent upon organizations to acknowledge that suitable personnel will not inherently gravitate toward their ranks. Instead, organizations must proactively pursue the right individuals through a well-formulated recruitment strategy. Organizational leaders are tasked with cultivating a learning-oriented environment that facilitates ongoing employee development, implementing a fair and transparent performance management system supported by continuous coaching and feedback, fostering an atmosphere conducive to leadership advancement via succession planning, and exhaustively employing strategies to retain employees **(Kaliprasad, 2006).**

Table 1 - Talent Management Process

Organisational achievements	Employee
Recruitment	Right employee
Performance Management	Performing the right job
Succession Planning	Right time
Training & Development	Right place
Retention	Right skills and ability

Source- A framework for Talent Management, 2007, Workforce Management

II. Objective of the Study

Talent management practices have evolved and adjusted over time in response to various transformations within the workplace, encompassing shifts like the Industrial Revolution, the emergence of labor unions, the implementation of affirmative action, globalization, and the proliferation of outsourcing, among several others. This paper primarily aims to comprehend the essence of talent management and subsequently assess its consequences by drawing on prior research.

III. Overview of Publications about Talent Management

S.NO.	Authors	Objective of the study	Methods	Key Findings
1.	*Hiltrop (1999)*	This paper examines the methods used by organizations to attract and retain talent, the most effective practices, and other potential solutions	An online survey of 115 multinational companies and 204 domestic companies in Western Europe was conducted.	HR practices and the ability to attract and retain talent are not clearly linked, according to the findings. The recruitment process and HR practices of an organization should be tailored to meet the needs and expectations of the group of candidates they are seeking to attract
2.	*Cappelli (2000)*	This study suggests that firms should approach talent retention from a market-oriented perspective.	There were no details provided regarding the methodology of the study, which used examples from companies	Conventional retention tactics are no longer effective. Retention strategies should be tailored based on how crucial it is to keep certain personnel. A distinct focus has to be placed on approaches to remuneration, work design, job customization, social links, location, and recruiting practices.
3.	*Bhatnagar (2007)*	The purpose of this study is to investigate the relationship between Talent Management and Employee Engagement in the workplace.	The study included 272 employee questionnaires administered by four business process outsourcing companies in India, along with focus groups of 30 male managers, project heads, and technical heads, followed by 72 exit interviews conducted within one of the four organizations.	There was a significant correlation between a low level of engagement at the start of an employee's career and a high level of attrition after 16 months with the organization. An increase in engagement was observed among employees at intermediate employment levels, which was reflected in a longer period of loyalty. Attrition rates were higher when employees were dissatisfied with their career paths and incentive schemes
4.	*Hughes & Rog (2008)*	Explore the significance of TM and why it's crucial for hospitality groups.	No empirical data	TM is considered as a multidimensional, HR-supported strategic management initiative that, if executed well, may help the sector address its labour market difficulties.
5.	*Maxwell and MacLean (2008)*	Examines the tactical ramifications and strategic activities related to TM.	Members of the Scottish Tourism Forum's board made comprised one focus group.	The perception is that TM has a significant potential to boost the employment perception of vocations in the hotel and tourist sector.
6.	*Scott and Revis (2008)*	Reviewing career management advancements and talent concepts from an	No empirical data	This paper identifies three themes in the literature: (1) A graduate is considered a talent (2) Managing and developing

		organisational and hospitality graduate student perspective.		talent for the hospitality business, and (3) Career management for hospitality graduates.
7.	*Whelan et al. (2010)*	Examines the precise skills these people possess and how external knowledge reaches workers who have the capacity to use it for innovation.	10 semi-structured interviews and social network analysis based on a questionnaire were both used in a single case study of an Irish R&D organisation for medical products.	A successful R&D organisation relies on gatekeeping responsibilities, yet it is uncommon for one person to possess the skills necessary for the gathering and sharing of external knowledge.
8.	*Martin et al. (2011)*	Explains how employer branding affects innovation, corporate governance, reputation, and HR practises.	No empirical data	A conceptual model of employer branding is presented, as well as an interpretation of how it may be articulated with the impact of corporate governance, innovation, and organisational reputations on organizational performance make a contribution to the implementation of HR strategy
9.	*Scholz (2012)*	Investigates if culture has an effect on the talent management method	180 surveys were distributed by the International Game Developers Association to its members (18% response rate). The bulk of responders were from the UK, the USA, and Canada, and their employment responsibilities were quite diverse.	The culture of video game development teams has a favourable impact on all positions. When attracting and hiring employees, it is advised that businesses take into account both cultural diversity and those who are the greatest fits for certain industrial jobs.
10.	*Macfarlane et al. (2012)*	Examines the development of TM procedures inside the National Health Service (NHS) of the UK.	The UK's NHS used a single case study that involved a documentation review.	The previous five years seem to have seen a shift towards a "harder" TM model.TM comprises a very rationalistic, bureaucratic, and centralised approach that places a major emphasis on "leadership."
11.	*Jones et al. (2012)*	Scrutinises the definition of "talent" and "TM" to see whether it is more in line with an individualist "star" approach or a systems-level strategic approach.	22 top HR practitioners and executives from different sectors in Australia were interviewed in semi-structured interviews utilising a convenience sample.	There were evident difficulties in defining what "talent" meant, even though TM was commonly described as the discovery, recruitment, development, and retention of a certain labour sector. The implementation of TM tended to be haphazard, ad

				hoc, and out of alignment with a strategic approach.
12.	*Schweer et al. (2013)*	Analyses how employee networks enhance both individual and corporate performance and how TM practises might boost cooperation in businesses.	15 in-depth focus groups using social network analysis, semi-structured interviews, interviews with talent specialists, an online poll of 76 talent managers in international businesses, and no particular circumstances were supplied. There was no response rate given.	Businesses aiming to maximise their talent and TM programmes may gain a lot from a collaborative network approach. Organisations should consider their top performers' collaborative efforts in addition to their more conventional contributions.
13.	*Oltra and Vivas-Lopez (2013)*	Gauges whether teamwork design and dynamics-related TM practises enhance organisational learning	167 significant Spanish companies were surveyed using a convenience sample, with a 14% response rate.	When skilled teams are given the freedom and latitude to be innovative, team-based TM may have a good influence on organisational learning.
14.	*Bjorkman et al. (2013)*	Investigates the impact of talent identification on employee attitudes	76% of respondents to an online poll of 930 managers and professionals in 106 subsidiaries of 11 Nordic MNCs responded.	The findings show that alerting skilled employees of their position would have a motivating impact that corresponds to the social exchange theory's expectations and validates the logic of TM.
15.	*Thunnissen et al. (2013)*	An overview of the literature on talent management.	Structured literature review	Discusses how talent management literature is too narrow and one-dimensional, unitarian and managerialist. This article suggests a pluralist approach is needed. It would involve a stakeholder theory approach

IV. Conclusion

Utilising a systematic review, this study offers an in-depth analysis of the current status of talent management. It seems rather contradictory that the idea of talent management still has a lot of room for improvement and lacks theoretical support given the quantity of interest it has received over the past years. This study makes two contributions: first, it develops a precise definition of talent management and, second, it suggests a theoretical framework for it. We achieve this by using information gleaned from many distinct literature bases. The goal of the study is to support future research in the field of talent management by (1) assisting in the clarification of the conceptual limits of talent management and (2) offering a theoretical framework that might aid in the structuring of their research efforts in the field. It should also make it easier for managers to deal with some of the talent management-related problems they encounter. It is advised to assess the value of talent

management programs in relation to other crucial features of the programs themselves. It would be beneficial to quantify the effect of talent management on attracting, hiring, developing, and keeping personnel since the struggle for talent is focused on four primary elements.

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