**Talent Acquisition and Management**
Prof. Santosh Rangnekar
Department of Management Studies
Indian Institute of Technology, Roorkee

Lecture - 57
Building Sustainable Talent Through Talent Management

In Building the Sustainable Talent Through the Talent Management, we will see that is the, how we are going to develop that which were the drivers for the success, which were the assessment process, which was the development element development practices. Now, after that, even after so much of the efforts are made, whether they are sustainable or not.

 (Refer Slide Time: 00:53)
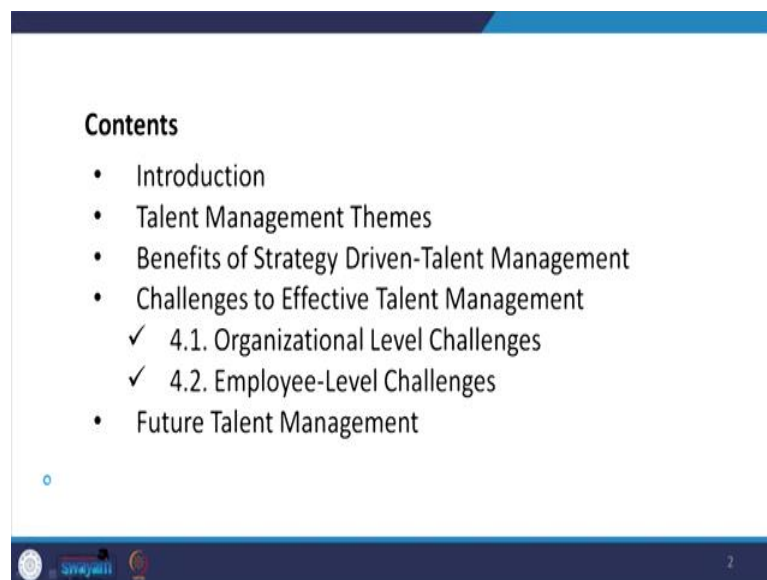
So, we will talk about the introduction of talent management themes. Benefits of the strategy-driven talent management challenges to effective talent management, 4.1 the organizational level challenges, 4.2 employee-level challenges, in the future talent management will be there.

(Refer Slide Time: 01:08)

1. Introduction

Fueled by globalization, technological change, population growth and shifting demographics, sustainability mega-forces will affect the ability of business to succeed and thrive over the next 30 years. With the global population expected to increase from seven to nine billion people by 2050, companies will need to reinvent themselves to secure their access to resources and the social license to operate and grow. *LPG – 1991*

For business to prosper in this new global context, current and future leaders will need a host of new skills and competencies.

So, fueled by globalization, technological change is the population growth right. Then shifting demographic sustainability mega-forces will affect the ability of the business to succeed and thrive over the next 30 years. So, these are you can see the factors or dimensions which are affecting is there, first is the globalization. In globalization, we will talk about the LPG Liberalization Privatization and Globalization.

First, we will talk about 1991 in India, and then there were the many companies they were invited to make the investment in India, and as a result of this liberalization, privatization, and globalization, many companies have shown interest. Now, at that time they there were two assumptions, one is there is one middle class in India second is that is the there will be dual-income families.

But, well, I will give you one example of the corn flakes. So, when Kellogg's corn flakes were introduced in 1991, it has not become that successful. Because it has been the culture in Indian families that is the, they do not take the readymade breakfast at home right.

Now, the in guest houses and all that is fine that is you have the milk with corn flakes and all these. So that is basically a packed, readymade breakfast. But in Indian culture and especially in the families you will find that is the lady of the house she cooks the breakfast she develops that different dishes and then she serves that is the fresh and hot the breakfast is there.

So, where will be the corn flakes that time? So, corn flakes were not getting the anyplace. But, nowadays you will see in this is a become a part of the breakfast and in the families yes, I know that. So, now, that is it is dual-income families are there. So, the lady of the house she does not have any time to cook that breakfast; rather than she will prefer that she just has a call and 'under door delivery is there.'

So, therefore, in that and the fast food is already is there, we are welcoming fast food. So, therefore, the lady of the house because from since morning to evening she is doing the job. So you cannot expect that is the in they will be the like your mother she will cook the breakfast, and then she will go on the job and these things.

So, that in like we have discussed the traditional jobs and the nontraditional jobs, so that is the culture is there. So, culture is changing. So, when the culture has changed, practices have changed, so that is affected by this liberalization, privatization, and globalization. Now, the technological change tremendous technological changes are there.

Earlier, there was resistance I remember that is the in the banking industry the introduction of computers that was highly resisted that is the opposition by the unions, and it was told that is this is the conspiracy. Conspiracy to reduce the manpower right. So, there will be less employment, and therefore, the slogan was [FL] computer [FL] right when the first time in 1978 that time that the computer was supposed to be introduced into the banks.

Now, now today, we see that is it is mobile banking; even it is not net banking, it is mobile banking. So, it is from the word WWW - World Wide Web to wwww – world-wide wireless web. So, now, in the banks there, you will find that mobile banking is preferred and everybody is welcomed.

So, what is that? That is technological changes. So, whenever there is these type of the in the because of the globalization changes, technological changes then the population growth right and demographics. Now, in the demographics, the average age is 35. India is a young country. So, totally your, HRM that has to understand these changes that are the globalization changes, technological changes and the demographic changes are there.

In the demographics, it is not only the age; it is gender also. So, now, there is no difference between the male and female employees workers and as a result of which the demographics have changed and if demographics change your work culture organization system that has to be reframed. Sustainability mega forces will these are the sustainability of the mega force the mega forces are there.

Which will affect the ability of business that is how to do the business? To succeed and thrive over the next 30 years and this is true that these type of the changes global changes. Now we are talking about the glocal also as earlier I have mentioned that is now the prime minister is saying that is the global vision with the local on this cultural understanding so therefore, it is glocal.

So, that sustainability with these mega forces right and now the next 30 years. So, you can refer to the world economic forums the skills that are what type of the skills are required and accordingly there will be the changes. The global population is expected to increase from 7 to 9 billion people by 2050. So, if such a large number is going to 7 to 9 billion people are to be increased.

Companies will need to reinvent themselves to secure their access to resources and the social license to operate and grow; that is how they are going to operate and grow in these particular situations. And then we see about these health care issues also that will also affect; that means, the market that you know. So, keeping in mind these mega factors globalization technological changes demographics right and then the one in demographics one is the economic status right.

So, how these resources and the social licenses that you have to find out by 2050 how you are going to manage right. For the business to prosper in this new global context, current and future leaders will need a host of new skills and competencies. Right from the beginning, we are differentiating talent with the normal manpower, is that is knowledge skill attitude and habits. That is the competency, competency of the individuals.

So, with these challenges and these mega factors, when your manpower is able to match, if they are able to cope up, then definitely, in that case, you will find that is your business is successful. If it is not going to be the match, then the businesses will be difficult to

run. Business leader's management gurus and consultants alike continuously talk about the importance of creating a competitive advantage.

(Refer Slide Time: 09:01)
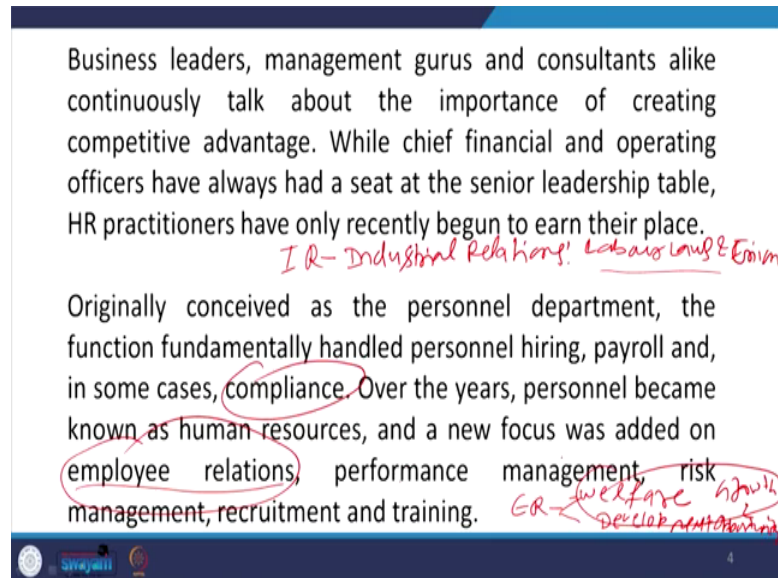
That what are the different competitive advantages are there while chief financial and operating officers have always had a seat at the senior leadership table, right? So, whenever we talk about the competency, talent competency, the competitive organizational organization that is mileage to the organization, the new product development knowledge acquisition that is a competitive advantage. Human capital is the advantage of competitive advantage over the other organizations.

So, when your CFO always had a seat at the senior leadership table right. HR practitioners have only recently begun to earn their place right. So, when we are talking about these staff functions, so naturally when the financial aspects of business are what? Financial entity.

So, therefore, in that case, financial officers and financial decision-makers will be in the front, because ultimately, why is the person doing the business? Business is for financial management. So, originally conceived as the personnel department, so HR practitioners have only have to make their position that time, but not now.

And now the people have understood that is this developing their leaders on which you are betting and those leaders are they are on the basis of what they are doing into the

organizations. And on the basis of these, they are the experiences it will be decided that is the how this personnel department the function fundamentally handle personnel hiring, HR hiring is there payroll and in some cases compliance right.

So, these they will be these HR departments of earlier it was personnel department, yesterday in the previous sessions I have talked about that is the personnel department HR, HRD, human capital talent management right. So, therefore, this sequence so in this sequence, the personnel department functions fundamentally to handle personnel hiring right.

So, recruitment was there then the compensation I remember the time office. So, 34 years back when I have started my career that time we the labor officer or the HR officers they were taking care of this these hiring requirement and the payroll that is time office was there was a big computer, IBM computer and then the data was entered, and salary slips were taken. And in some cases compliance, compliance means that it is factories at labor laws, industrial relations so, the administration also.

So, therefore, this hiring payroll and the compliance so all these inspectors were visiting the factory inspectors 30, 34 inspectors in a month they will make the inspection and then the HR personnel department especially that time, that they have to take care of. Over the years, personnel becomes known as human resources, and a new focus was read on employee relations.

Now, here it is interesting it is it was the IR, what is IR? Industrial Relations: What are industrial relations? Labour laws and unions industrial relations union, labor laws and union that was the IR. Then employee relations; employee relations means welfare, development, growth of the employee, and opportunities.
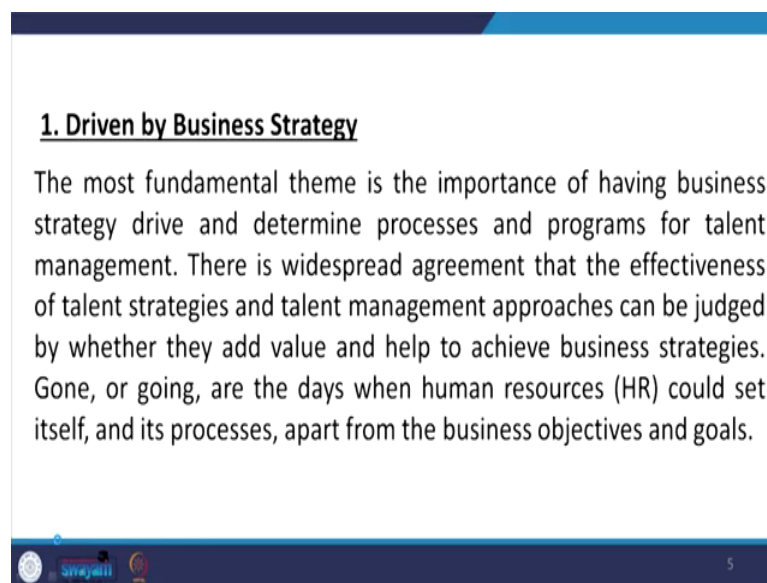
So, with these becomes the employee relations are there. So, wherefrom the labor laws that were the compliance, from the labor laws it is going to the employee relations welfare, growth, development right, and opportunities for them. So, this performance management, risk management recruitment, and training was the training and development that is growth and development is there and creating the opportunities.

Now, this performance management has also changed; now, now we talk about performance management and potential appraisal. So, how was the business-driven?

Driven by these strategies this I will continue with that the strategic management and goals.

The most fundamental theme is the importance of having business strategies drive and determine the process and programs of talent management. What type of talent management programs are you having? There is widespread agreement on the effectiveness of talent strategies. And talent management approaches can be just by whether they add value and help to achieve business strategies.

(Refer Slide Time: 14:41)

1. Driven by Business Strategy

The most fundamental theme is the importance of having business strategy drive and determine processes and programs for talent management. There is widespread agreement that the effectiveness of talent strategies and talent management approaches can be judged by whether they add value and help to achieve business strategies. Gone, or going, are the days when human resources (HR) could set itself, and its processes, apart from the business objectives and goals.

Gone or the going are the days when human resources could set itself and its processes apart from the business objectives and goal, and therefore, in that case, that is when the human resources themselves have to set the goals. Now, you ask any HR person that is what please set a goal for yourself, right.

So, therefore, in that case, for the organizational goals first and then the personnel goals. So, certified goals of the organizations by the HR personnel. So, what will be that? Yeah, you are right; it will be related to the acquisition, deployment, development, compensation, and research.

Similarly, whenever we are talking about individual goals, so individuals goal what? Learning and development, career development, organization development by the contribution in the organization development, right; and making the career development,

growth and opportunities so, therefore, in this case, HR itself process from the business objectives and goals.

So, the top five organizational objectives and then the top five individual objectives. Now, you have to match the particular objectives of these organizations and the objectives of the individual. The second is requires differential investments; there is an emerging view that effective talent management requires organizations to invest in various employee groups differently.
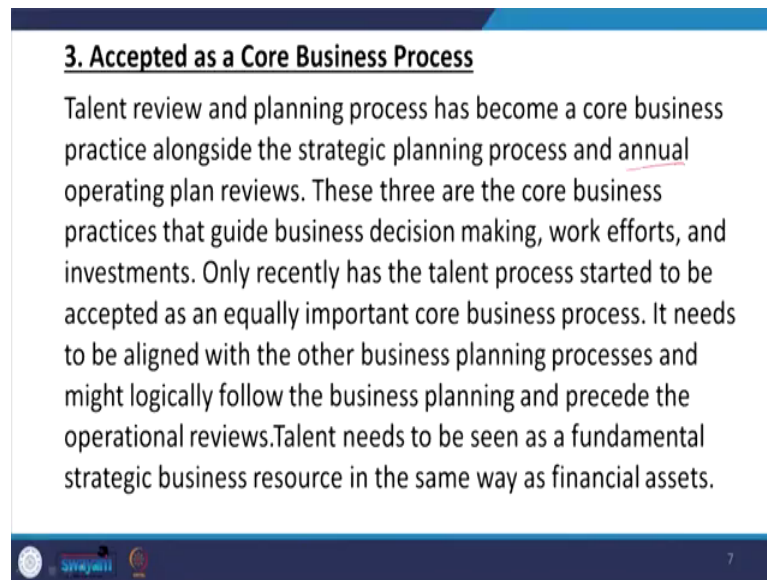
So, traditional investment is already there, but there when you have talented employees, you have to also make special investments; what are those? And that should not be the invest equally in all employees, in all employees whatever your investment making and that is ok, but if you want that your talent should be sustainable in the organization, you have to develop more than that.

Those businesses' organizational functions and talent groups, such as high potential individuals, are the scientists in a research-based organization, like doctors in the hospitals, chefs in the hotels, teachers in the educational institutes right or the scientist into the research-based organizations.

Those are critical to achieving the business strategies that need to receive at this proportionate share of resources. So, whatever the resources are there for all the employees right, you are required to develop more resources or differentiate the resources to achieve the strategic goals of talent management.

Right from the beginning, I am saying that is, and please know your core competency the capabilities of an individual, similarly accepted is a core business process talent review and planning process right. That has become a core business practice. The HR department has to focus on them, and then they have to get the maximum output. If they are not able to get the maximum output, then there will be problems. And the annual operations plan reviews.

3. Accepted as a Core Business Process

Talent review and planning process has become a core business practice alongside the strategic planning process and annual operating plan reviews. These three are the core business practices that guide business decision making, work efforts, and investments. Only recently has the talent process started to be accepted as an equally important core business process. It needs to be aligned with the other business planning processes and might logically follow the business planning and precede the operational reviews.Talent needs to be seen as a fundamental strategic business resource in the same way as financial assets.

However, I would like to add more that is it is not only the annual; it is quarterly operating plan reviews quarterly. So, therefore, along with the strategic planning processes of the organization, there should be quarterly operating planning reviews. These three are the core business practices that guide business decision-making right, that is, whatever the decisions are there.

Work efforts naturally the work efforts will be more, and the investments are there that is they have to make the investments so that they can get the ROI return on investment. Only recently has a talent process started to be accepted as an equally important core business process right. So, therefore, in that case, it is becoming very, very important.

That is, what is the core business process is there? It needs to be aligned with the other business planning processes, which are the other business planning processes that are your finance, marketing, operations right then the systems development right. So, therefore, it needs to be aligned with the other business processes.
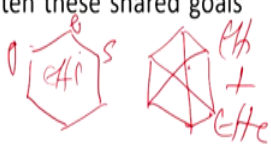
And might logically follow the business planning and precede the operational reviews; what are the different operational reviews are there? Talents need to be seen as a fundamental strategic business resource that is what is the fundamental strategic business resources are there in the same way as the financial assets are there, whatever the financial assets are there that will be decided by the strategic business goals.

Integrated across human resource practices and processes next are. It is important that the talent management process programs systems be coordinated integrated with each other; it should structure should not be like this. Because if this is the process, these are the programs, these are the systems right. And they are not coordinated; rather than the structure should be like this.

(Refer Slide Time: 20:28)

So, therefore, this is the there will be relationship and integration this is the integration there is no integration they are connected, but not integrated; they are also connected, and they are also integrated. So, integrated with each other and with other human resource functions and programs are there this is for both efficiencies, so various efforts are not working against each other.

So, the here they are not working in isolation or sallow rather than they are working for the more each working are with the for effectiveness, so they are collaborating to each other right. So, they are not against each other rights; rather than for the effectiveness, and it is not the efficiency; it is for the effectiveness. And then this is the efficiency and effectiveness both this is the only efficiency, this is the efficiency plus effectiveness and both.

So, therefore, they are collaborating to these shared goals often; these shared goals are the execution of business strategies. So, integrated across human resource practices and

processes right to be integrated with each other in such a way so that they are going towards the business strategy of the organization.

(Refer Slide Time: 22:17)

5th one is engrained as an organizational cultural mindset very very important. The highest level of effectiveness is often characterized by having an organizational or cultural mindset around talent management. This occurs when supervisors, managers, leaders, and executives have a commitment to effectively managing talent to achieve business strategies.

What are those business strategies are there? They take responsibility and have accountability for building and retaining the needed talent in their own organization right. So, therefore, in that case, that whenever these all designations when you talk about the supervisors, manager, leaders, executive right. What is required? Employee commitment is required, and that employee commitment will be effectively managing the talent right.

So, for what again coordination with the business strategies, they take responsibility and have accountability for the building and retaining the needed talent in their own organization. Often this is accompanied by a set of organizational values and beliefs about the business need for talent; it not only permeates management and executive decisions but also pervades the shared beliefs of the entire organization.

And therefore, you are engrained as an organization and cultural mindset. So, you gel with the organization you see this is also particularly seen that many HR departments are not able to integrate with the organization; they feel that it is totally different HR department is totally different, right. But here, we will find that is they are having the belief in the entire total organization.

(Refer Slide Time: 24:07)
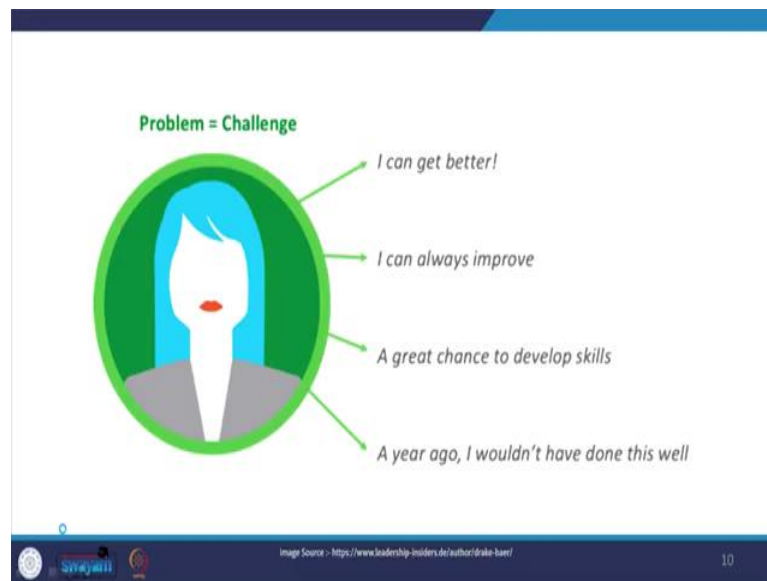
So, what are the challenges of the problem? I can get better, and I can always improve. A great chance to develop skills, and a year ago, I would not have done this well. Now you see that is this is the problem and challenges and that there is integration also that is the there is a great chance to develop the skills. And when you were developing your skills, knowledge, and attitude a year ago, I would not have done this well. So, the way that has been done that would not have been done.
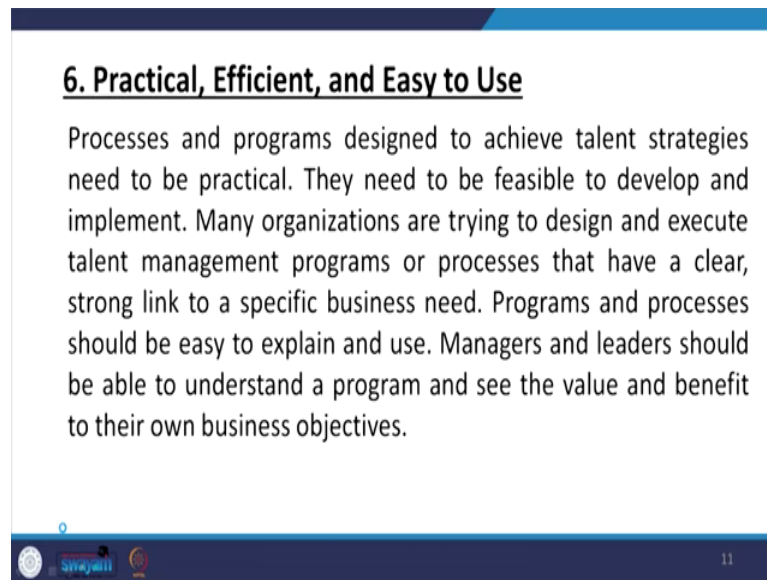
Six one is practical, efficient, and easy to use: Process and program designed to achieve talent strategies need to be practical. And naturally, because you see in the board room, there are a lot of talks there, like we are talking in the classroom so that that is ok, but practically you have to do that.

And I am sure that most of these concepts and models will help you because there will be problems and challenges, problems and challenges will be there. But you have learned how to overcome the problem and challenges to retain the talent talented people, how to appoint talented people, how to deploy and develop, how to give them compensation right.

So, therefore, that has to be the strategies to be practical; they need to be feasible to develop and implement; many organizations are trying to design and execute talent management programs or processes that have a clear, strong link to a specific business need. So, therefore, management programs and processes naturally require the organization needs that dear friends from you.

You people should support that, that whatever the talented is procedures or strategies are business strategies and organization strategies and your talent management strategies that match. So, many organizations are trying to design and execute talent management programs or processes that have a clear, strong link to a specific business need, and this

is the fact. When I was HOD, I have seen many organizations are saying that they are not getting the required talented people either from the internal site or external site.

So, that that bridge is to be built between the academy and industry so that that input can be given that knowledge and skills can be developed from the outside, but it is also the problem with the inside in the organizations. So, their succession planning has not become successful; why? Because as I mentioned earlier, also there are the challenges; what type of challenges? Environmental challenges.
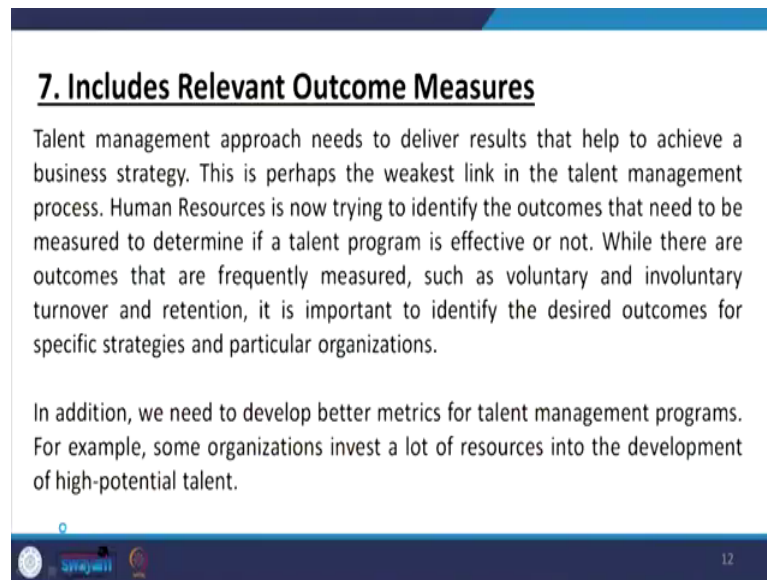
So, in that business environment, we have seen dynamic complex uncertain, and the immediate demand is there, immediately need occurring, and that need has to be immediate to be fulfilled. You know you cannot say, sir, we will give advertisement then we will acquire the talent, and then we will supply by that time you will do the organization will sink.

So, before you reach that stage right, these are the programs and processes that have a clear, strong link to the business strategies. To be a business partner in the organization, develop the strategies programs should be easy to explain, and then that this program should be easy to explain and use smooth.

Managers and leaders should be able to understand a program and see the value and benefit to their own business objectives naturally that there are so many investments are there on the manpower dear friends, and then that you are saying that is the talent. So, top management is giving them better facilities, better investments, and then taking care of them; that is, they are the solution provider.

So, here you are developing the solution providers, or you are developing the problems. So, HR has to be very careful in the development of talent management, and finally, I say that it includes the relevant outcome measures. The talent management approach needs to deliver results that help to achieve a business strategy already I have mentioned.

(Refer Slide Time: 28:32)

7. Includes Relevant Outcome Measures

Talent management approach needs to deliver results that help to achieve a business strategy. This is perhaps the weakest link in the talent management process. Human Resources is now trying to identify the outcomes that need to be measured to determine if a talent program is effective or not. While there are outcomes that are frequently measured, such as voluntary and involuntary turnover and retention, it is important to identify the desired outcomes for specific strategies and particular organizations.

In addition, we need to develop better metrics for talent management programs. For example, some organizations invest a lot of resources into the development of high-potential talent.

This is perhaps the weakest link in the talent management process right that is results are to be produced. So, many talks have been done ultimately, and the results are there to develop the talent; this is perhaps the weakest link.

Human resources are now trying to identify the outcomes that need to be measured to determine if a talent program is effective or not. So, we have talked about the blah blah blah so many training programs and development programs for the talent and the talent performance and then potential, but measure it whether it is successful or not.

While there are outcomes that are frequently measured, such as voluntarily and involuntarily turnover and retentions are there it is important to identify the desired outcomes for the specific strategies and particular organizations. So, finally, we can say in addition we need to develop better metrics for the talent management programs. For example, some organizations invest a lot of resources into the development of high potential talent.

And that I am sure those high investments that will be measured and then corrective actions will be taken because everybody every process and system cannot be 100 percent successful I understand but whatever the gaps are there. Again they will be implemented and with the changes into the globalization and demographics and economic status and the global environmental issues. We will be able to measure and take corrective action for the sustainability of the talent.

Thank you.