



## TALENT MANAGEMENT – ROLE OF HR MANAGER IN ACQUIRING AND RETAINING TALENTS

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### Abstract

In this era of increasing competition Human Capital is a company's most valuable assets and market success is directly linked to employee performance. Adopting best practices for recruiting, hiring and retaining top performance is critical to successful talent acquisition and sustaining bench strength. Traditionally, organizational growth was driven by hiring more people. However, today's economic environment requires an increase in the productivity of Existing workers before a new head count is considered. It is a challenging issue to current Human Resource Managers to find a right match between the requirement and the skill set of the job seeker. It is important that organizations get right person – the first time. Attracting and hiring talents are the core Components of recruitment. Today talents have become scarce because of skill gaps due to rapid development of technologies on one side and retirement of Older generation people on the other. In this context it is important that company adopts various strategies to retain its talents. Thus the focus of this paper is to present the role of HR manager in acquiring talents and to identify the best practices to retain talents.

**Key Words: Talent Management, Talent Acquisition, Talent Retention.**

### Introduction

Organizations today must have the best talent in order to succeed in competitive and complex global economy. Apart from hiring, developing and retaining talent, organizations must know how to manage talents in best possible manner. This is a real challenging task of HR managers today.

The most critical issue facing organization is how to retain the employees they want to keep. The talents quit for various reasons such as they find a better place to work, better payment elsewhere, brand name, flexible work time, etc. What so ever the reason may be, it is the Human Resource manager who plays an important role in reducing turnover and retain their best employees.

Talent is the sum total of abilities, skills, knowledge, that is ever remained short in supply against its demand. Talent is doing things easily which others find difficult. Talent in today's world is hard to locate. It is sometimes hidden or over hidden by daily pressures of doing business.

Talents is the new age means of production. It is very important for every organization to nurture and protect internal talent for their continued existence. The contest for talent is fueled by several diverse in the business environment, change in work force lifestyles, complex and dynamic operations, etc.

Talents have become scarce because of skill gaps due to rapid development of technologies on one side and retirement of older generation people on the other. It is right people, besides right strategies, that matter for organization.

Companies today need employees who are highly productive, multi-skilled, self motivated and out – of – the box thinkers. In this context HR managers play an important role in acquiring talents, retaining, developing and managing them. The various Literatures were reviewed based on Retention Strategy and a summary of best practices to retain talents is presented in this paper.

### Talent Management

Talent Management is a key business process which converts a set of inputs into desired outputs. Talent Management is an attempt for an end to end process of planning, recruiting, developing, engaging, managing and compensating employees in the organization with the aim to find the right person to the right position.

Process of Talent Management:

- Conversion of the organization's mission, vision to objectives and measuring the capabilities required to fulfill these objectives.
- Assessment of talent to determine the quality of capacities and competencies present in an organization.



- Identifying the Development path to individuals so as to acquire knowledge which is in turn tapped to give an outstanding performance.

### **Talent Acquisition**

Talent Acquisition involves all the sub-process around finding, attracting and engaging highly talented individuals into an organization. Talents Acquisition is an approach that is becoming more and more critical in the ‘War for Talent’. It is a broader strategic approach in the corporate quest to gain and sustain a competitive advantage in today’s market place.

### **Talent Retention**

The Global economy showing signs of improvement, companies are now increasingly facing a huge challenge of retaining talent and arresting attrition. Attrition is a reality and therefore, one should not look at it, instead one should focus on retention. Retention and availability of trained faced by almost all industries.

### **Objective of the Study**

- To identify the role of HR managers in acquiring and retaining the talents.
- To identify the best practices adopted to retain the talents.
- To build a model of Retention Strategy.

### **Source of Data**

The data for the study is collected from secondary sources such as Journals, Magazines and Literature Review.

### **Role of HR Manager: In acquiring and retaining talents.**

#### **Attracting talent**

Attracting and Retaining are the two fundamental necessitates of Talent Management. The first step to be focused is on ‘Talent Pool’ which can be both internal and external to the organization. Attracting talent is not an easy task. The talents prefer to work in those organization where it has built brand name. Hence every organization must build superior brand in order to attract talent for their organization.

The HR managers who play an important role in acquiring talent must practice certain things as mentioned below:

- They must work hard to identify high performers.
- Develop profiles of the high performers in each group.
- Find out where potential high performers like to go and what they like to do.
- Collect and capture critical information about candidates.
- Recognize the importance of developing people so that they can become high performers.

#### **Retaining Talents**

Today employees do not stay at the same job during their career. The expectations of employees are increasing at a faster rate in this global competitive economy. They want jobs that are challenging on one hand and development opportunities on the other hand. They wish to stay in those company with great leaders and which has openness and trusting atmosphere. In this context the Human Resource Manager plays an important role in retaining the talents in an organization.

Some of **the best practices** that can be followed to achieve talent retention are-

#### **1. Retention through Employee Engagement:**

It is role of HR to ensure that employees are being engaged. The employees feel engaged when the workplace is congenial and conducive to work with and not necessarily the corporate leadership. Hence it is the duty of HR manager to create and provide conducive work environment.

The importance of feeling “Engaged” are: Companies do not retain people. It is the people who decide to stay. They decide to stay when they feel engaged. Thus “Engaged” employees stay longer.

Employees feel engaged depends on the following factors-

The strength of the workplace - Development  
Clean Expectations - Participation  
Resources - Purpose



Opportunity	- Quality
Care and Concern	- Learning
Recognition	- Appraisal

If all the above is provided, then it is said to have built a greater place to work.

## **2. Talent can be retained with business Growth**

Retaining talent and growing business are Interdependent. New businesses provide more career opportunities. A talented employee look for change and creativity. An organization must create more opportunities to bring in changes and Innovative ideas by talented employees. These strategies would enable the organizations to retain, develop and properly utilize their talents in a more constructive manner.

## **3. “Boss” in right place - who “Nurture and Mentor”**

The “Boss” is the key factor in building a strong work place. Talent Retention Strategy will work only if there is a “Boss” in right place. “Boss” - who nurture and mentor. Mentoring can be an extremely valuable and help in building a strong corporate culture, which can help retain staff and sustaining once established, and can make use of the organization most experienced talent. The “Boss” creates nurturing environment for the employees to imagine, explore, pioneer, invent, etc.

## **4. Offering Training and Development as a Retention Tool**

Providing training and development opportunities to employees, decreases the desire to quit from current workplace. This retention tool is especially great help to those jobs that require constant skills updating.

## **5. Using Socialization to Improve New Hire Retention**

Some organizations are experiencing more attrition amongst newly employed persons. This results in high cost of recruitment because the organization would have invested significant amount in recruitment, selection and training. Research has shown that Socialization practices can reduce turnover of new employees. Some of the Socialization practices that can be adopted are:

- Involving experienced existing employees as role models, mentors or trainers.
- Through formal and Informal activities, helping new hires to get to know one another and organization as a whole.
- By providing positive feedback to new hires.

## **6. To create a culture of retention**

It is believed that by inculcating the retention culture, to some extent can reduce turnover of talents in organization. The Human Resource manager must create an atmosphere in an organization such that the employees are made to believe that the organization values them. To create a culture of retention, they should follow certain things as mentioned below:

- Provide an opportunity and the goal to be achieved by the team must be viewed as ‘extraordinary’ and not just as ordinary task performed by them.
- A free and liberated atmosphere must be created. Every activity of employee must be praised and recognized and not just overall performance.
- Encourage employees to do things with creativeness and in an innovative way. This increase loyalty of the employees and sort of attachment develops towards organization.

## **7. To create effective compensation strategies**

The organizations retention strategy should also look into compensation package which is the most important factor attracting the talents towards them. They should construct a compensation plan in such a way that it helps to achieve strategic goals and to attract, reward and retain the talents. Thus the organization must identify the benefits that employees value most. This helps them to plan their compensation strategies and satisfy the talents which in turn results in reduction in turnover. This strategy is especially useful during economic downturn where company decides to cut some benefits given to employees. The company must eliminate those benefits which are less important to talents and preserve those which are valued most by them.

## **8. Flexible work arrangements**

Flexible work arrangements allow the employees to choose a work schedules that is in line with their personal and family needs. These arrangements may include flexible time period or compressed work weeks. Flexible work arrangement must be designed to retain experienced talent employees. This practice is widely favored by employees. On the other hand it is also benefit to organizations, as it reduces recruitment training expenses.



### 9. Opportunity to work abroad

Today’s business has a feature of global outlook and hence there is a desire among talents to have access to global exposure professionally. Therefore providing an opportunity to talents to work abroad is another major aspect recognized by industries as its Retention Strategy.

### 10. Effective Communication and transparency from leadership

Employees are more productive when the organization goals and their role to achieve it is clearly communicated to them. And again, in the situation of downturn of economy, the employees expect transparency from their leaders. The leaders must be transparent and honest with the people who report to them. They must communicate to their employees about the challenges and crisis situation the company is facing. By doing so they can win the employees confidence and trust. At the same time it increases the morale of the talent and sense of belongingness is developed in him. Such employees do not even think of to quit an organization even in crisis situation and instead he tries to help organization to overcome such crisis situation. Thus it is the role of HR to be transparent and win the confidence and trust of its employees.

### Retention Strategies adopted by some of the IT Giants are identified as follows:

**Infosys:** has launched “Path finder” – a career movement programme recently as its Retention Strategy. The company also introduced attractive perks like Holiday travels, and even sabbaticals and higher studies subsidy more widely. It was Infosys that introduced ESOP as its retention strategy for the first time.

**Wipro:** The company has introduced the following as its retention strategy –

- Pay and Benefits
- Career Growth
- Training and Development
- ESOPs

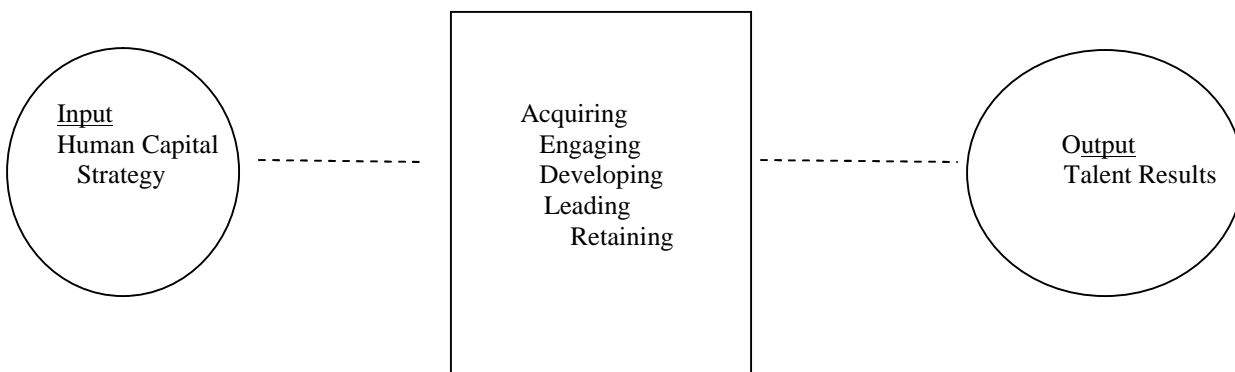
**TCS:** Promoted Cross-domain experience as its retention strategy

**IntelCorp:** Training and development was considered as its main retention strategy

### Net Manage, The Cupertino, The California Software manufacturers:

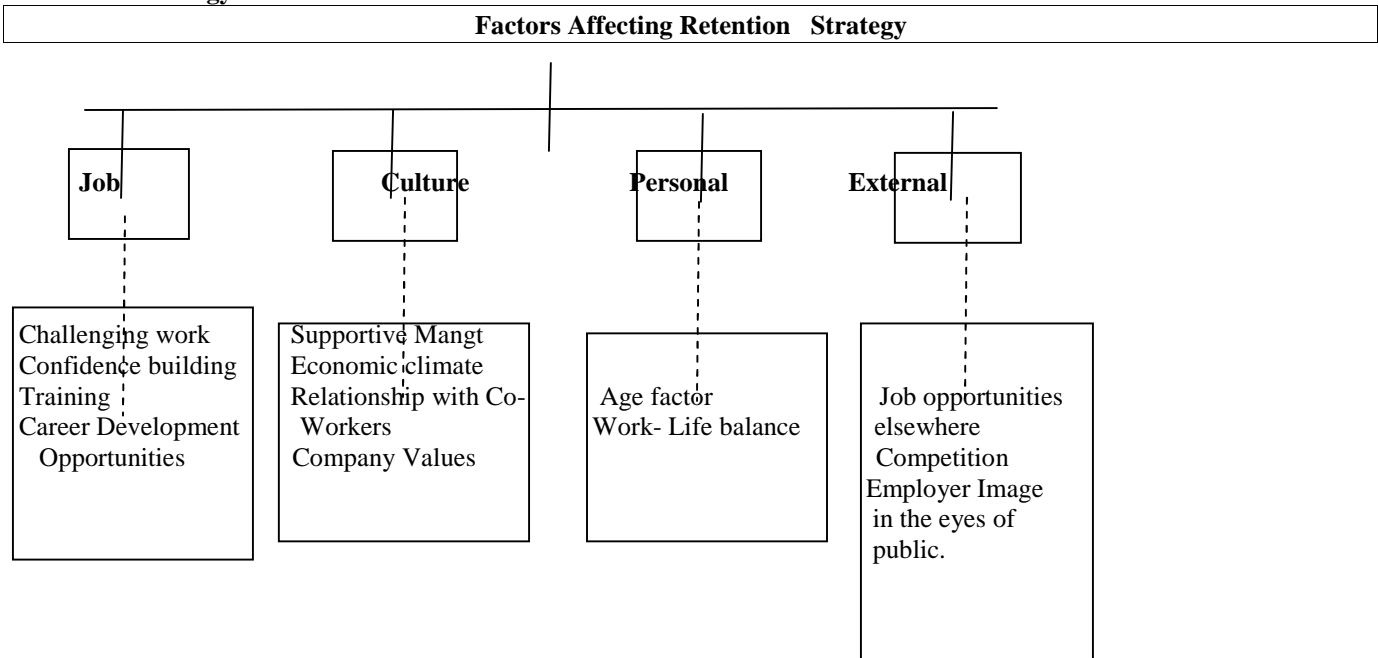
Rewards virtually all staff members with a company paid vacation to a Resort as its retention strategy.

### Talent Management – A Model





### Retention Strategy – A Model



The factors affecting Retention Strategy is classified into four factors such as Job, Culture, Personal and External factors (as mentioned in the retention model). The talents expectations relating to **Job** are Compensation package, Challenging and interesting work, Training to update his skills and Career Development Opportunities. With regard to **Culture**, the organization must make management perceived as competent, supportive management style and meet expectations of group (co-workers) as a whole. The organization must match its value with that of personal values of its employees. **Personal** factors of employees such as health problems, family related issues, children education and social status are to be respected and valued. The **External** factors such as Economic Climate, Competition in the business, community opinion about the business also affects retention strategy.

The following inferences can be made from the retention strategy model built –

- The organization must offer challenging and interesting work to handle tasks and deliver as per expectations.
- Design a compensation package that attracts and helps to retain talents.
- Training should be considered as Investment and not as a cost because a trained employee will excel in accomplishment of the task assigned to him, which in turn leads to job satisfaction.
- A potential employee must be provided with training to acquire new skills and also provide career expansion opportunity. If possible provide an opportunity to work abroad.
- It is quite often found that people leave organizations mainly due to the attitude of their supervisors and managers. Hence there is a need to build a strong relationship with employees so as to build trust and inspire confidence in them. This necessitates quality and effective management practice and supervision.
- Talents expect a free and conducive environment to work. Such an environment encourage innovative and creative work which is most essential in today's global competitive world , so that it can attain competitive edge.
- Today's global business world is featured by cross-culture. The HR manager must embrace and respect cultural differences and support all employees irrespective of the culture they belong to.
- The satisfaction with one's life has positive impact on job satisfaction and performance and hence the organization must adopt flexible work arrangement as a retention strategy.
- The key employees expect that their skills and talents are recognized and utilized properly. Therefore, the HR manager must recognize the skills and talents and utilize it in attaining to organizational goal. This results in developing a sense of belongingness amongst employees and they retain in organization for a longer period and do their best for the benefit of the company.
- The HR manager must strategize on age differences of employees. They must recognize expectations of different age groups and utilize experienced workers as trainers and mentors.



## Conclusion

In today's Challenging business climate, the HR manager plays the crucial role in attaining to business goals. The very success of business depends on its employees efficient work. This requires acquisition of talents and managing them properly so that, they can retain their talents in organization for longer period. This is possible only if HR manager have in depth knowledge of its talents and the ability to manage them. HR manager must design appropriate Retention Strategy that suits their business and employees expectations. Hence it is the duty of HR manager to acquire a right person and design a Retention Strategy in order to sustain a strong relationship with the employees.

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