

RECRUITING, RETAINING, AND REWARDING TALENT – A HR CHALLENGE

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ABSTRACT

The new age economy, with its attendant paradigm shifts in relation to the human capital, in terms of its acquisition, utilization, development, and retention, has placed a heavy demand on today's HR professionals. Today, HR's role is not restricted to 'policy formulation' or 'facilitative role' but it need to perform the role of 'business partner' and take the responsibility for organizational results. Further, HR is expected to identify potential talent and also comprehend, conceptualize and implement relevant strategies to contribute effectively to achieve organizational objectives. A serious concern of every HR manager in order to survive this 'War for Talent', is to fight against a limited and diminishing pool of qualified available candidates to replace valuable employees when they leave, dramatically underscoring the difficulty to attract, motivate and retain the best employees in an organization. The paper focuses on the importance of talent management and the challenges faced by the HR in attracting, developing, and retaining skilled workers.

KEYWORDS: Human Resources, Talent Management, Recruitment, Retention, Organization

INTRODUCTION

With increasing economic process and enormous opportunities across the globe, the human resource manger is expected to identify potential talent and also comprehend, conceptualize and implement relevant strategies to contribute effectively to achieve organizational objectives. Of late, talented employees have become the gateways to success of an organization and are defining the destiny of a business with their outstanding skills and talents. In real terms, a human resource manager has to fight against a limited and diminishing pool of qualified available candidates to replace valuable employees when they leave, dramatically underscoring the difficulty to attract, motivate and retain the best employees in an organization.

In today's competitive and dynamic era, human resource managers are forced to develop employee capabilities, and efficiently manage individuals and teams. Line leaders and business unit heads are expected to have an ingrained conviction for building talent or developing talented employees. The cognition to successfully recruit and retain key talent for present and future organizational needs, has led human resource managers across the world to a newer approach called 'Talent Management', which is quite new in the Indian context. The aim of talent management is to develop a sustainable organization that focuses on its operational and strategic objectives and goals. Talent Management is about recruiting the right people with right skills and placing them in a right position at the right time. It implies recognizing a person's inherent skills, traits, personality and offering him a matching job. It starts with recruiters identifying potential talent and continues throughout an employee's tenure in an organization.

IMPORTANCE OF TALENT MANAGEMENT

The importance of talent management is due to the increased competition in the market place which necessitated

the need for consistent good performance on the side of organizations. Globalization has also made the companies to put in all efforts to hire and retain the best talent in the respective field of operation, as the whole world has become a potential place to find employment for any job seeker. One can know the opportunities available in any part of the world easily and the number of talent seekers has also increased. Further, the knowledge era has necessitated the retaining of those talents which have the ability to assimilate new technologies and knowledge, which are growing at a pace never seen before.

Talent management is important for an organization, as it can save hundreds of thousands of dollars by recruiting one experienced & skilled employee instead of two or more inexperienced and unskilled employees. A study by the American Society for Training and Development (ASTD) estimated that US organizations had spent nearly US\$125 billion on employee learning and development in 2009. The right kind of employee training, education and development at the right time, definitely provides big payoffs for the organizations in increased loyalty, knowledge, productivity, and contribution. Further, the business unit heads and line leaders should embrace vulnerability, act as a role models, reinforce shared values, and build sustainable processes for employee support and development.

Talent management is equally important for an employee, as they appreciate the opportunity to develop their skills and knowledge without ever leaving the work. With customization of on-the-job training, employees can benefit from the workplace norms, needs, and culture.

TALENT MANAGEMENT PROCESS

As quality people are no longer available in plenty, organizations have to focus on talent management, if they wish to stay in the business tomorrow. They need to develop a talent strategy which clearly focuses on the future needs of the organization. The company's strategic plan should focus on sourcing the required employees from suitable avenues; affirm detailed job analysis; and implement behavior based interviews to choose the best candidates.

Recruiting Talent

Hiring skilled employees can happen only when diligent leaders contribute to the organization's mission by distorting a language of talent that attracts higher quality applicants who are willing to work for the company. Once the candidates apply for a suitable post, structured and objective interviews will be more effective for identifying talented employees, than planning adhoc face-to-face meetings by screening resumes. This allows human resource managers to spend less time on the total recruitment process and more time in knowing highly qualified candidates. Such pre-hire assessments quickly root into a personalized on-boarding and development plan. Lately, a few organizations have already raised the bar on hiring and recruitment process, and many are trying to bring the right talent into the company and retain it by focusing more on strategic human resource planning and performance management.

Retaining Talent

Retaining the present employees is of the foremost importance to the organizations because the company would have already incurred heavy costs in the form of training and development. Now if the organization has to look for a replacement for the employee who has left, it involves a lot of costs like - hiring costs, training costs and the induction costs. Also it takes some time for the new employee to adjust to the new work environment. Apart from causing the company a monetary loss and breaks in their day-to-day operations, attrition contributes to knowledge transfer, which is a great loss and adversely affects business.

Retention of the talent is not purely dependent on remuneration. Organization culture that includes technology, processes, leadership, structure, and behaviors of teams and individuals play a vital role in influencing an employee to stay committed to an organization. The top leaders have to ensure that the managers have the capability to constructively lead their teams, as the important relationship for an individual in a company is the relation with his immediate manager. The business leaders have to involve individuals and high performers in decision-making, and cross-functional projects, in their areas of responsibility. It is also equally important to allow employees to feel that they are making a considerable difference. The employee-environment fit has to be looked into on a regular basis, as circumstances and people change, and some re-positioning or adjustment may be needed for best results.

Developing and Rewarding Talent

Development, being an important part in talent management, is about enabling individuals to meet both their personal and organizational needs. Each individual's competency profile has to be assessed based on the knowledge (what employee know), skills (what employee know how to do), behaviour (what employee does) and attitude (what employee is willing to do). The competency assessments fill the gaps that exist between the desired and actual performance, and between current abilities and possible future performance needs. Besides, the organizations should create opportunities for employee development through training, job rotation, job shadowing, teamwork, project involvement, and cross-functional exposure. The leaders should ensure that the training provided is directly linked to the strategic goals of the organization. Employees should be encouraged to set their own performance agreements that are firm on quality standards, objectives to be met, the deadlines, and the deliverables to be produced; and should be held accountable for what they deliver. Besides, employee feedback is highly essential and it should be objective, ongoing, and constructive. Organizations should tap into what would make talented employees feel rewarded, as it is not necessarily always about upward mobility or money.

High performance individuals displaying characteristics favored by the company should be identified as mentors, and this helps in transition of new employees into the organization. If the first experiences of a new employee are good, the likeliness of the individual to retain in the organization are also large. Further, innovations by talented employees should be recognized, and should also be introduced into processes, systems, and approaches in the organization in pursuit of continuous improvement. Finally, talent management that is based on transparency and respect will go a long way to ensure that top talent is selected, accessed, empowered, retained, and rewarded in the organization.

CHALLENGES OF TALENT MANAGEMENT

Although the organizations are finding loads of business opportunities, there is a shortage of skilled workforce that can be employed. Finding the best talent that fits the job description, and also adjust to the organization's values and norms has become difficult due to varied reasons such as demographic constraints, and existing educational system. Further, the best available talent is not just motivated by the name and fame of the organization. They have a new set of motivators like - challenging work, conducive work environment, and freedom from bureaucratic structure. Retaining the existing employees is also quite challenging as the young professionals hop jobs, especially during the first 4-5 years of their work life. It is a fact that talented people add value to organizations, and it is also a fact that humans are a restless species who, unlike the immovable banyan tree, cannot stay rooted in one place. Work environment, gap between organizational values and goals, opaque policies from management, high work pressure, better job opportunities, higher posts, and overseas assignments are also major factors for rise in attrition rates.

MANAGING THE TALENT

These are some of the measures that should be taken into account to hire and retain talent in the organization, to be efficient and competitive in this highly competitive world

Hire the Right People: Proper care must be taken while hiring the people. Questions to be asked at this stage are: Whether the person has the requisite skills needed for the job? Whether the person's values and goals match with those of organizations? In short, care must be taken to fit the right person to the right job.

Provide Learning Opportunities: Employees must be provided with continuous learning opportunities on and off work field through management development programs and distance learning programs. This will also benefit the organization in the form of highly talented workforce.

Good Working Environment: It has to be accepted by the organizations that highly talented persons make their own rules. They have to be provided with a democratic and a stimulating work environment. The organizational rules must be flexible enough to provide them with freedom to carry out their part of task to their liking, as long as the task is achieved. Opportunities should also be provided to the employees to achieve their personal goals.

Keep the Promises: Good talent cannot be motivated by fake platitudes, half-truths and broken promises. Unfulfilled expectations can breed dissatisfaction among the employees and make them either leave the organization or work below their productive level. Promises made during the hiring stage must be kept to build loyalty among the employees, so that they are satisfied and work to their fullest capability.

Recognition of Merit: It is highly motivating for any person if his talent is recognized and is suitably rewarded. One way is providing them with salary commensurate with their performance. Promotions and incentives based on performance are another way of doing it. Another way is by providing them with challenging projects. This will achieve two objectives - it makes employee feel that he is considered important (a highly motivating factor) and gets the work done in an efficient manner and brings out the best in the employee.

Shield from High Work Pressure: If an organization has to make the most of the available talent, they should be provided with adequate time to relax. It is very important to provide them with holidays and all-expenses-paid trips, so that they can come back refreshed to work and with increased energy. They must also be encouraged to pursue their interests which are also a good way of reducing work environment stress. Recreation clubs, entertain programs, fun activities within the work area will also reduce the work life stress of the employees and result in a good working environment

CONCLUSIONS

Talent has become the driving seat in the current era of knowledge and technology. Talented employees are no longer available in abundance and business leaders have to take proper care while recruiting and retaining talent in the organization for being competitive and efficient in the global market. It is only the human capital that can provide an organization the competitive edge because technology can be easily transferred from one country to another and there is no dearth for sources of cheap finance, but it is the talented workforce which is very hard to find. As every person has a unique talent that suits a particular job profile, it is the duty of human resource manager, to place candidates with prudence and caution. Besides, a wrong fit will result in further hiring, re-training and other waste of resources.

Organization need to have a vision and a well defined strategy on hiring and retaining talented employees. The ability to create opportunities for real-time collaboration, train and retrain employees according to business need, and support the workforce with better analytics are important for organizational success. Further, the continuous and ongoing process of communicating and clarifying priorities, job responsibilities, performance expectations, and development plans that optimize an individual's performance are highly needed. A succession plan, a regular audit of talent pool, an elevated recruitment process, high-potential leaders and managers who can manage others early in a professional career, and an ongoing performance management are required for organizational success.

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