A Study of Talent management strategy at select IT Companies

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Abstract

According to the paper titled "Talent management: A strategic approach towards growth in IT industry"[1] it is given that One of the biggest challenges facing companies all over the world is building and sustaining a strong talent .Not only do businesses need to adjust to shifting demographics and work force preferences, but they must also build new capabilities Executives and HR management have always been focused on basic talent management—acquiring, hiring and retaining talented employees. But, to drive optimal levels of success, business leaders need engaged, high-performing employees. One of the crucial elements of a successful business is having the best people in the world. It is a war to find, develop and retain the best people, but it's one that can be won with the right tools at hand. The purpose of the paper is to identify what are the factors that contribute for improving work performance of people by managing Human capital in companies.

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[1] Namrata Mandloi (2014), "Talent management: A strategic approach towards growth in IT industry", Research conference on Innovative Business Strategies, SIBM, Pune

1.1 Introduction

According to the definition Talent management refers to the anticipation of required human capital for an organization and the planning to meet those needs. The field increased in popularity after McKinsey's 1997 research and the 2001 book on The War for Talent. Talent management is the science of using strategic HR to improve business value and to make it possible for companies and organizations to reach their goals. Everything done to recruit, retain, develop, reward and make people perform forms a part of talent management as well as strategic workforce planning. A talent-management strategy needs to link to business to make sense

Talent Management focuses on all aspects of Human Resource Development is on developing the most <u>superior workforce</u> so that the organization and individual employees can accomplish their work goals in service to customers. Organizations have many <u>opportunities for human resources or employee development</u>, both within and outside of the workplace.

Human Resource Development can be formal such as in classroom training, a college course, or an organizational planned change effort. Or, Human Resource Development can be informal as in employee coaching by a manager. Healthy organizations believe in Human Resource Development and cover all of these bases.

As companies are operating in an increasingly complex landscape, within which new and varied challenges are; the role of managers is even more critical to success. The development of managers and other key staff is

essential to maintaining and progressing company aims. Increasingly individuals within companies are crucial to success. The need to identify, develop, succession plan, improve recruitment and retention of such individuals is at the heart of the emergence of talent management. Talent management has developed significantly in recent decades. The role, value, models and application of talent management has been subject to much debate, research and development.

1.2 Objectives and Research Methodology

Objectives of study:

1. To study the evolution process of Talent Management.

2. To analyze the Talent Management Process in select IT Companies

3. To find out the prominent features of Talent Management.

Research Methodology

A qualitative study is used when the researcher wants to get a deeper understanding on a specific topic or situation. Myers (2007)[2] stated that the qualitative approach was developed in social sciences in order to support the researcher in studies including cultural and social phenomena. The study is based on a qualitative theoretical research and the empirical finding consists of interviews performed in a qualitative way, this will be discussed. Case study research method will also be used to study the campaign. According to Myers (2007) a case study is an empirical inquiry that investigates subject in its real-life context, which was the case in this study.

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[2] Ibid

The information about the problem is collected from the Libraries, CD-ROM databases and the Internet. The literature on evaluating 'HR Policies', I have focused on as recent material as possible. In order to get access to the latest developments in this area I have used a number of articles published in academic journals and trade magazines. We have also used secondary information from Internet based discussion forums, 'HR Policies' campaign information from investors and some company specific material.

Findings and Discussions

Evolution of Talent Management may be tracked way back in the 1980s and 1990s organizations realized that the HR function was infact more important - and the concepts of "Strategic HR" emerged. During this period organizations realized that the VP of HR had a much larger role: recruiting the right people, training them, helping the business design job roles and organization structures (organization design), develop "total compensation" packages which include benefits, stock options and bonuses, and serving as a central point of communication for employee health and happiness.

The "Head of Personnel" became the "VP of HR" and had a much more important role in business strategy and execution. The systems which were built up to support this new role include recruiting & applicant tracking (ATS), portals, total compensation systems, and learning management systems. In this role, the HR department now became more than a business function: it is a business partner, reaching out to support lines of business.

Figure 1: Evolution of HR Function

Source: (http://joshbersin.com/2007/06/01/talent-management)
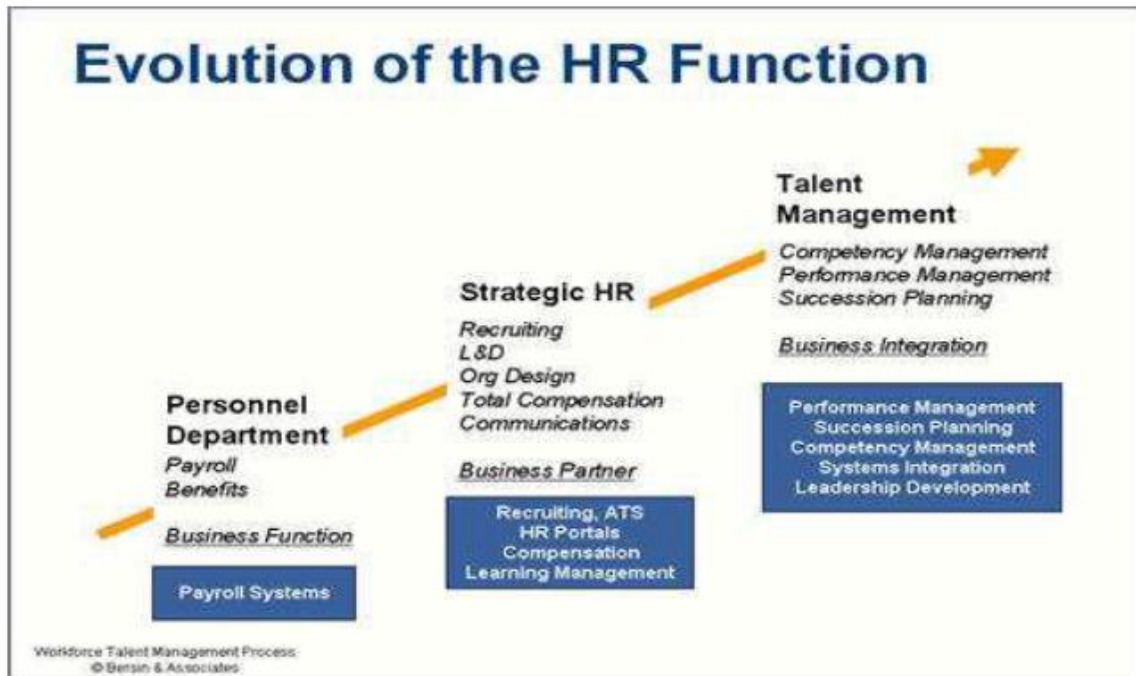
Talent management is also known as HCM (Human Capital Management), HRIS (HR Information Systems) or HRMS (HR Management Systems), and HR Modules.

Major objectives of Talent Management

After all the main aim of talent management process is to hire the best people from the industry.

i. **Recruiting the Talent**: The actual process of hiring starts from here. This is the stage when people are invited to join the organization.

ii. **Selecting the Talent**: This involves meeting with different people having same or different qualifications and skill sets as mentioned in job description. Candidates who qualify this round are invited to join the organization.

iii. **Training and Development**: After recruiting the best people, they are trained and developed to get the desired output.

iv. **Retention**: Certainly, it is the sole purpose of talent management process. Hiring them does not serve the purpose completely. Retention depends on various factors such as pay package, job specification, challenges involved in a job, designation, personal development of an employee, recognition, culture and the fit between job and talent.

v. **Promotion:** No one can work in an organization at the same designation with same job responsibilities. Job enrichment plays an important role.

vi. **Competency Mapping**: Assessing employees' skills, development, ability and competency is the next step. If required, also focus on behaviour, attitude, knowledge and future possibilities of improvement. It gives you a brief idea if the person is fir for promoting further.

vii. **Performance Appraisal**: Measuring the actual performance of an employee is necessary to identify his or her true potential. It is to check whether the person can be loaded with extra responsibilities or not.

viii.   **Career Planning**: If the individual can handle the work pressure and extra responsibilities well, the management needs to plan his or her career so that he or she feels rewarded. It is good to recognize their efforts to retain them for a longer period of time.

Succession Planning: Succession planning is all about who will replace whom in near future. The employee who has given his best to the organization and has been serving it for a very long time definitely

deserves to hold the top position. Management needs to plan about when and how succession will take place.

Talent management in select IT Companies

(i) Talent management at IBM:

A joint study conducted by IBM and Human Capital Institute, IBM and the Human Capital Institute surveyed 1,900 individuals from more than 1,000 public and private sector organizations around the world about their organization's talent management and identified few elements of talent management they include:

- Develop strategy: Establishing the optimal long-term strategy for attracting, developing, connecting and deploying the workforce.

- Attract and Retain: Sourcing, recruiting and holding onto the appropriate skills and capabilities, according to business needs.

- Motivate and Develop: Verifying that people's capabilities are understood and developed to match business requirements, while also meeting people's needs for motivation, development and job satisfaction.

- Deploy and Manage: Providing effective resource deployment, scheduling and work management that match skills and experience with organizational needs.

- Connect and Enable: Identifying individuals with relevant skills, collaborating and sharing knowledge, and working effectively in virtual settings.

- Transform and Sustain: Achieving clear, measurable and sustainable change within the organization, while maintaining the day-to-day continuity of operations.

Knowledge-intensive industries tend to focus on developing and connecting their employees. In the research Telecom, Electronics Technology and Professional Services – are being considered as "knowledge-intensive industries." These companies are driven by people; sometimes they also face shortage of skilled people. The research shows that

- Knowledge-intensive organizations focus on motivating and developing talent at the individual level, as well as connecting and enabling those individuals across the enterprise.

- Another goal for many organizations is to make the sum of all talent greater than the individual parts.

- Companies look at better ways to engage and utilize internal talent. High performers have to be engaged .and given quality work.

- Organizations manage talent by sharing knowledge among individuals and across the enterprise.

(ii) Talent Management at TCS:

Tata Consultancy Services (TCS), established in the year 1968, is the largest provider of information technology (IT) and business process outsourcing (BPO) services in India TCS is an equal-opportunity employer For knowledge services companies such as TCS, people are their most valuable asset. Talent management teams know the skills and

competencies of all their employees so that they can make more informed decisions in planning, training and delivery management.

- TCS changed its hiring strategy and started focusing on just-in-time hiring or real-time talent management. To build a quality talent pool,

- TCS started a programme called Academic Interface Programme (AIP). Also, various kinds of training programmes were conducted at TCS: Learning and Development, Initial Learning Programmme, Continuous Learning Programme,

- Leadership Development Programme, Foreign Language Initiative, Workplace Learning and Ignite.

- Compensation management system at TCS is based on the economic value added (EVA) model.

- TCS conducts appraisal of its regular employees twice in a year, and also at the end of the project in case of employees hired specifically for various projects. In order to identify its outstanding talent, TCS has been recognizing the contribution of its people in many ways. .

- To maintain data base for bio data, company developed Résumé Information

- Extractor (RINX), a tool that uses text-mining, automation, natural language processing, data-mining and information retrieval technologies to deliver high quality skill-related information to update the organization's skill repository in real time.

- TCS now has an updated knowledge base of employee competencies, allowing managers to quickly and correctly identify candidates best suited for specific positions, projects, or tasks.

(iii) Talent Management at Cognizant:

Cognizant (NASDAQ: CTSH) is a leading provider of information technology, consulting, and business process outsourcing services, dedicated to helping the world's leading companies build stronger businesses. It is headquartered in Teaneck, New Jersey (U.S.). A paper published at the website of company written by ,James (Jimmy) Livingston Vice President in Cognizant Business Consulting, guiding strategy and Arlene DeMita Cognizant's Senior Practice Director, offers a prescription for modernizing key talent acquisition processes, including pre-assessment surveying, candidate sourcing, candidate assessment, pre-hiring and on boarding. Key elements of paper are:

Talent management comprises three areas: talent acquisition; talent development and deployment; and workforce engagement and retention. While challenges exist in all here phases, many companies struggle at the very beginning of the cycle. The paper identifies that companies in order to succeed should leverage solutions based on social, mobile, analytics and cloud technologies. Techniques that leading companies are incorporating into their talent acquisition strategies include

- Increasing job flexibility,

- Leveraging analytics tools to predict staffing needs and validate employment plans

- Enabling virtual teams with technology, conducting candidate assessments via video and recruiting where candidates are located.

1.4 Conclusions

Every person has a unique talent that suits a particular job profile and any other position will cause discomfort. It is the job of the Management, particularly the HR Department, to place candidates with prudence and caution. A wrong fit will result in further hiring, re-training and other wasteful activities.

In the present scenario where the quality of talent within the companies has increased while the quality of skills available in job market has dwindled. As business positions for recovery, the first thing that is needed is to refresh the vision and begin to paint a picture of what the new business landscape may look like," it was felt. The consensus was that in these strategically changing times, the role of professional education would be to fill the gap between the required talents vis-a-vis the available manpower.

While many HR talent management processes are sometimes perceived as "nice to have" practices, they're actually vital to your company's success. Since in many industries, the cost of labor is the largest single business expense, learning how to properly manage your workforce and foster a culture of high performance can be critical to survival. Research shows that companies who invest in talent management practices consistently outperform their peers.

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