



# REVIEW ON TALENT MANAGEMENT PRACTICES

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**Abstract:** "Talent management" is all about attracting, selecting, and retaining employees. With this it doesn't end even from this it starts - It involves human resource planning, learning and development of employees, their performance management, recruiting, on boarding, succession, and retention. The majority of scholars' attention has been focused on the idea of talent management in recent years. Talent management has emerged as a key source of competitive advantage in today's economic climate, adding value to all businesses. This study aims to investigate the talent management and its' constructs, which forms talent management practices in organizations. This study compiled a small number of earlier research works on "talent management" and conceptualized them. This literature review would provide ideas or an agenda for future talent management researchers and helps them to develop theoretical framework of talent management practices.

**Keywords:** Talent Management; Talent Acquisition; Talent Development; Performance Management System; Reward Management; Talent Retention

## 1.0 INTRODUCTION

In modern era organizations must retain valuable personnel over extended periods of time. Considering that an organization's human resources are seen as its most valuable asset and are essential to its ability to thrive and compete. An increasing number of businesses are looking to their human capital to give them the competitive edge that will not only help them stay in business but also increase their bottom line as a result of globalization and volatility in the business environment. An organization need more than just the minimum number of human resources to function and generate goods or services; what it really needs is the caliber of those resources, which is acknowledged as one of the key elements sustaining competitive advantage in businesses. Any organization's success depends on its talent. Even in India, where unemployment is extremely high, finding and retaining the proper talent is difficult. Acknowledging the significance of human capital, companies are concentrating on talent management as a means of enhancing their enterprise. Businesses were vying for outstanding talent that would add value to their enterprises. Companies and nations alike began to compete for skilled workers. With the emergence of globalization came intense competition amongst multinational corporations for highly skilled labor. To get the best results, having the top talent is essential. The winning organization is built by an efficient talent management system through the appropriate application of strategies formulated at various levels. The goal of talent management is to make sure that the best talent is placed in the best positions at work. It also focuses on helping talent develop and improve their skills and providing them with appropriate compensation, including non-financial benefits, to increase their commitment and loyalty to the company. These actions will lower employee turnover, boost productivity, and improve the quality of work produced, giving the company a competitive advantage over rivals.

## 2.0 LITERATURE REVIEW

### Talent Management

Talent, according to Collings & Mellahi (2009), is defined as people with great potential who have the aptitude and drive to methodically acquire the knowledge and abilities required to hold important positions within an organization. It is the duty of talent managers to cultivate the talent needed to meet the demands of their organizations both now and in the future. According to Poorhosseinzadeh & Subramaniam (2011), talent is defined as an organization's most qualified employees who would make the most contributions to the attainment of its strategic objectives. Talent management encompasses talent acquisition, selection, evolution, and career management. It is the culmination of good human resource enhancement techniques, actions, and function. According to Jyoti (2014), talent management is one of the strategies for drawing in new hires, engaging aspiring people, and fostering and motivating exceptionally gifted staff to meet the organization's objectives. It is the duty of talent managers to cultivate the talent needed to meet the demands of their organizations both now and in the future. Talented individuals must first be discovered in order to comprehend talent management. The concept of talent is still up for debate (Gallardo-Gallardo et al., 2013). Additionally, Son et al. (2020) defined talent management as the process and activities that include the systematic identification of key positions that contribute differently to the sustainable competitive advantage of the organization, the creation of a talent pool consisting of high potential and high performing incumbents to fill these roles, and the creation of a differentiated human resource architecture to make it easier to find qualified incumbents for these positions and guarantee their continued loyalty to the company. According to Ott et al. (2018), there are four ways that talent can be effectively enhanced: creating a strong organizational culture; offering clear and appropriate opportunities for career advancement; providing relevant and dynamic training opportunities; and fostering an engaging work environment. Talent management is a major concern for many firms, and attracting and keeping skilled people are significant workplace challenges. The fundamental goal of people management is to add value (Sparrow & Makram, 2015). Beamond, Farndale, and Härtel (2016) state that institutional and cultural distinctions between urban and provincial areas have an impact on corporate talent management. These differences include the degree of corporate decision-making, community relations, diversity, and skills shortages. To guide future research and practice, they create hypotheses on diversity, skills shortages, community relations, and corporate-local decision-making. Al Ariss, Cascio, and Paauwe (2014) addressed methodological challenges in the study of talent management after providing a thorough overview of theoretical and practical information about the subject. They then identified numerous important trends that are currently and will continue to impact future research and practice in talent management.

## 3.0 CONSTRUCT THAT FORM TALENT MANAGEMENT

### 3.1 Talent Acquisition

In this cutthroat market, hiring and retaining skilled employees is a top priority for HR managers. The challenge of managing talent is crucial and extremely hard. Effective talent acquisition strengthens an organization's strategy. Although the number of job searchers in the global employment market has increased due to the current state of the economy, there is still a noticeable talent shortage in various industries and nations, which exacerbates the issue of "talent mismatch (Hongal & Kinange 2020)." Talent management is a major concern for many firms, and attracting and keeping skilled people are significant workplace challenges. The fundamental goal of people management is to add value (Sparrow & Makram, 2015). The function of a talent acquisition team and recruiter has undergone a significant transformation, evolving into an inside strategic partner with a shared interest and an advisor to the company. The use of new media and technology to draw in applicants is growing, and as more millennial prospects join the workforce, social media will play a bigger role in talent branding and attraction (Walford-Wright & Scott-Jackson 2018). Because of the heightened competition in the hiring market, businesses are investing more time, energy, and resources in creating their talent acquisition strategies. It is crucial to hire individuals with the necessary training, credentials, and experience while keeping an eye on future needs in order to meet business goals (Sequeira et al 2015). The organization's ongoing procedures of talent acquisition and recruitment are crucial, but they have also presented difficulties for the business in using social media to its advantage, actively marketing its employment

brand, and hiring new employees on a daily basis. It is imperative that the organization consistently draws in fresh talent and hires the talent that is currently part of the plan. In light of this, the strategic talent acquisition function took the place of the traditional staffing team by concentrating on developing the employment brand, sourcing individuals in new locations with the aid of social media tools, providing an opportunity for internal candidates, and utilizing the network of referrals by fostering relationships within the organization (Jose 2019).

### 3.2 Career Management

According to (Aina & Atan 2020), career management and learning and development strategies both significantly and favorably impacted real estate companies' long-term organizational success. (Li et al 2017) concentrate on two important aspects of talent management: career advancement and turnover. Specifically, they framed the prediction of survival status at a sequence of time intervals as a multi-task learning problem by treating the prediction at each time interval as a task, specifically for modeling the talent turnover behaviors. According to (Arar & Öneren 2018) Significant shifts in career cognitive ability, such as an endless career path and a lack of organizational commitment, are beginning to replace qualified but soon-to-retire staff members. The employer side of the medallion, which is the other side when career-related changes occur and company wishes are taken into account, should also evolve by eschewing traditional HRM and opting for talent management techniques. (Ali et al 2019) imply that the effectiveness of organizations and employee engagement are significantly impacted by talent management. The impact of career development on employee engagement and organizational effectiveness is noteworthy. Furthermore, the relationship between individual development strategies (career development and talent management) and organizational efficiency is considerably mediated by employee engagement. According to (Dik et al 2015) a rapidly expanding, interdisciplinary field of study and practice called "purpose and meaning in career development" combines positive psychology, vocational psychology, and counselling to produce exciting new directions for career counselling. They further provided information on how vocational psychologists and counsellors could use applications to enhance their work with clients going through the career development process.

### 3.3 Talent Development

It is common practice to refer to nearly every initiative taken by an organization to promote learning among its members as "training." (McFarland & Jestaz 2016). Within an organization, there are several, occasionally contradictory methods for identifying valuable individuals. It is improbable that HR departments will handle talent management as a cohesive process. Talent development programmes can have the wrong shape and goal. There is frequently conflict between preferred learning styles and talent programme design. Talents could contribute significantly more to their organization and be far more important (Pruis 2011). The fast-paced integration of technology and information into the everyday work environment is causing a rapid transformation in the field of TD. Understanding present TD methods and creating a modern paradigm that will enable a drastically different future for TD are crucial (Dalal & Akdere 2018). In the current competitive corporate environment, one of the most important concerns that HR practitioners and professionals deal with is talent management. It becomes essential for upper management to be aware of the several strategies that might support the right development of talent (Panda & Sahoo 2015). Instead of replacing current talent management techniques, strategic talent development is a creative supplement to them. An addition that can assist organizations in taking the next step towards the realisation of their goals by strategically placing and developing their best personnel in pivotal roles can serve to further clarify the relationship between talent management and strategy (Schreuder & Noorman 2019).

### 3.4 Performance Management System

Performance appraisal have long been used as a tool for management, including pay administration, incentive administration, promotion administration, and disciplinary action. A lot of companies use employee service records, private reports, or performance appraisal in secret (Aguinis, H 2011). Through the appraisal process, issues can be discussed, possible issues can be resolved, and new objectives for reaching high performance can be set. Setting goals or objectives under each KPA helps to ensure that everyone is aware of the expectations. It is possible to specify time-bound or quality goals for each scenario (Dusterhoff, C et al 2014). The results of performance appraisal are useful in determining what



kind of training each employee needs. It is possible to identify employees who consistently perform poorly on a certain dimension and to organize training and development initiatives aimed at improving the employees' performance on these dimensions. (Haas & Yorio 2016). According to (Almohtaseb et al 2020) the relationship between talent management and organizational performance is moderated by the performance management system. This means that the system can be used as a tool to find talented employees and then integrate, re-strategize, and fortify the management-employee relationship to enhance organizational performance. (DeNisi & Murphy 2017) raised question about 100 years in JAP substantial contribution of performance appraisal & performance management. It further stated about failure of rating scales and supports improvements of individual performance through appraisal & performance management programs.

### 3.5 Reward Management

Preserving talent involves preventing the departure of skilled workers. Organizations that implement specific proactive talent management techniques have better retention rates. When employers have a good reputation in the labor market, their chances of being retained are also improved. Employing talent retention techniques helps businesses grow and survive by preventing unnecessary costs brought on by a loss of talent (Bhattacharyya 2015). Since the careers of outstanding Generation Y workers seem to be fleeting in many businesses, attracting and keeping them on board is becoming a major management challenge. Employees of Generation Y prioritize career growth, work-life balance, and base pay as the three main forms of compensation. Benefits and savings seemed to be the least significant practice. Additionally, a positive working rapport with management was stressed (Barkhuizen 2014). (Njeri & Orwa 2014) Examine the difficulties affecting the management of talent. Organizational culture was identified as a major obstacle for talent management in an assessment of how the reward system affects talent management. The work climate, reward structure, and career management presented additional difficulties for talent management. (Mcnulty 2016) explains Host-based techniques are the only viable option as home-based remuneration is becoming an antiquated and excessively costly model that frequently fails to propel MNEs' global competitive advantage to the necessary levels. The success and productivity of an organization are largely dependent on the performance of its employees, as each one has an impact not only on the individual but also on the team, department, management, and company (Armstrong, 2013). A reward system is a means to assess employee performance and boost productivity within the organization. This helps to retain competent staff and draw in fresh talent.

### 3.6 Talent Retention

The relationship between talent management and talent retention was discussed by Narayanan et al. (2019), who also highlighted the importance of organizational fairness and talent perception congruence. Paying attention to employees' learning is crucial for organizations looking to keep their workforce retained. Allowing employees to do more and discover more of their strengths will motivate them to stick with the company (Govaerts et al 2011). According to (Hanif & Yunfei 2013) the function of talent management with HR general strategies to maintain talent, lower employee turnover, and accomplish perceived HR outcomes of a company through the successful and efficient implementation of succession planning, employer branding, motivation, and development policies. Talent management is one of the best strategies for keeping workers motivated and interested in their work. Long-term retention of these individuals is thereby ensured by their sense of engagement or dedication to their work (Pandita & Ray 2018). The way TR is approached is haphazard and random. Additionally, they demonstrate that the direct costs of losing talent drive TR procedures more so than the indirect costs and loss of tacit knowledge. Despite the use of utilitarian power through incentives to promote TR, normative power through workplace culture and organizational norms is the main focus, which is a finding of great interest (Tlaiss et al (2017).

## 4.0 DISCUSSION AND IMPLICATIONS

In order to give a clear and thorough picture of the constructs, the current study conducted a thorough assessment of the TM literature. This is not only a helpful place to start for new research and TM practice, but it also provides an opportunity to learn from past experiences. One way to phrase the question is, "What do we know about TM by now?" Initially, we can say that Talent management encompasses talent acquisition, development, career

management, performance and reward management and retaining of talents. This forms the constructs of talent management practices and gives a theoretical framework potential stakeholder.

The study's conceptualization implies that there is room for more research because of the significance of TM and the requirement for empirical investigation. Researchers, practitioners, and academics interested in creating and developing TM practices models will find this study interesting. Our study's primary weakness is that it is only conceptual in nature at this time. Therefore, the generated assertions should be empirically tested in a variety of sectors, such as the banking, multinational, and telecommunications industries, among others, in future study.

## 5.0 CONCLUSION

Based on the comprehensive data gathered and examined with the assistance of a literature review, several publications, and factual information, it can be concluded that the current surge in interest in talent management, it is rather unsatisfactory that the idea is still very vague and lacks a theoretical foundation. The current corpus of literature, viewed from a theoretical perspective, forms the basis of this work. This study makes two contributions: first, it provides a concise and precise description of talent management from several angles, as previously discussed. It was described as standard procedures and duties of human resources management. The assumption that it would create talent pools for select workers who could significantly alter the performance as a whole.

Talent management has a significant role in employee retention and performance, thus managers should focus on creating organized plans for identifying and nurturing gifted staff members. to translate their implicit abilities and expertise into explicit information so that it may be shared with the entire crew. This is widely acknowledged in the literature review, which leads us to the conclusion that talent management is crucial for assisting the company in lowering the cost of recruiting new staff by keeping talented individuals on staff and providing them with targeted training.

With the hope that the suggested framework serves as a basis for upcoming studies aiming to expand on the effects of putting talent management techniques into reality.

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