

# A REVIEW INTO TALENT MANAGEMENT, TALENT RETENTION AND ITS SCOPE FOR LEARNING ORGANISATIONS

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**Abstract** “The demographic changes that we see occurring in many of the regions where we operate – shrinking populations, an ageing workforce and diversifying demographics – compound the challenges we face and intensify the war for talent.”

Peter M. Senge, a senior lecturer at the Massachusetts Institute of Technology, first coined the term ‘The Learning Organisation’ in his famous book ‘The Fifth Discipline: the Art and Practice of the Learning Organization’ in the 1990’s. He said that a learning organisation is an organisation that has developed the continuous capacity to adapt and change. This means that the organisation views change not as a threat to resist, but as an opportunity to become more effective, flexible and responsive. For this to happen, he argues that organisations need to ‘discover how to tap people’s commitment and capacity to learn at all levels’. An organisation needs to attract, retain and nurture people who foster a sense of purpose, develop unique strategies, attract other committed people, have an ability to innovate and view work environment as a continual learning structure. Talent management is becoming increasingly crucial for such an organisation that endeavors to compete in this increasingly complex dynamic business environment that fosters disruptive technologies and shifts in customer preferences.

They say that a company is only as good as the quality of its talent. Indian companies today are grappling with double digit attrition rates which at 14% is more than the global average and that costs the organisation three to four times an individual’s salary. Top turnover drivers in India include poor job definition, leadership quality, inefficient people management, non-competitive compensation, inadequate career advancement and work-life imbalance. Every organisation has high performers, employees who are head and shoulders above their co-workers in terms of the value they bring to the organisation. Sourcing and retaining such a workforce, contributing significantly to their career growth and aligning workers’ productivity to support corporate objectives are some of the major challenges faced by organisations today. Today businesses are in a state of constant flux, they need to be agile enough to react quickly to a dynamic environment, while maintaining a long-term strategic focus. Despite continuing to be of significant interest and popularity of both academicians and practitioners alike, the content and practices of talent management have remained obscure. Talent management has always probed into effective attraction to retention of knowledgeable talent. Talent retention has now come to the fore as organisations realize that more and more to be levied on the existent talent workforce rather than attracting newer ones. According to a recent research by Monster.com, nearly 61% of the CEOs have employee satisfaction as an integral part of their goals whereas 80% of CEOs say that HR issues are core to a company’s success. About 73% of CEOs spend a fourth of their time in talent development, with a similar percentage spending it on retention of the best performers. Talent management has become a headache for CEOs with only 30% saying that they have the talent they need to fulfil their future growth ambitions.

Sylvia Vorhauer-Smith a leading columnist with the Forbes magazine states that money attracts but it does not retain, case in point being the low commitment, high turnover and the job-hopping frenzy of the modern Indian workforce. A recent Mercer survey backs this up with results showing that 54% of Indians are seriously considering leaving their present employer, the figure was just 26% in 2004, and this trend increases to 66% in the 16-24 year age bracket. Many of the generation next employees are unconvinced that excessive work demands are worth the sacrifices to their personal life. Perhaps then it is not surprising that career progression and training opportunities rank with pay as the top three factors motivating Indian employees to stay. And that means investments in talent management become a critical and strategic success factor in ensuring that Indian businesses can deliver. Salary increments are low-hanging fruit. Every employer can do that and there is no differentiation. Towers Watson India’s director for talent and reward practices, Subeer Bakshi says that Employee Value Proposition (EVP) can be an effective tool in creating right balance between employee preferences and employer needs. Employers need to gauge if their EVP which includes but is not limited to performance recognition, learning & development, career, succession management, supporting work environments, setting clear expectations, being a coach and building on employees’ strengths, fully utilising and recognising talent etc. are compelling and alluring enough.

Talent management in India is a risk management strategy against the effect that it has on businesses having scarce or insufficient human resource capital to fulfil organisational requirements. Businesses today need to understand the cost of employee turnover because it causes the tangible and intangible costs to rise extensively. This includes the cost of not just of hiring the talent, but also the opportunity cost related

to market losses, lead-time for actual delivery from new hires and productivity losses of individuals from affected teams. A look at the impact of talent constraints in India suggests that businesses have lost out in terms of cancelling or delaying key strategic initiatives. According to the 15th PwC Annual Global CEO Survey 41% of CEOs in India had to either cancel or delay a key strategic initiative and 39% of CEO's stated that their talent related expenses have raised more than expected. In such a scenario, both domestic Indian companies and multinational corporations operating in India have much ground to cover.

Developing, managing and retaining individuals as part of a planned talent management strategy are of utmost significance. A recent newspaper article quoted Fortis Global Healthcare Holdings CEO Vishal Bali, saying that increasingly, in a competitive job market, head honchos are called upon to play the role of a chief talent officer where their challenge is to retain the best and build the rest. This is progressively becoming the guiding principle across Indian companies, whether entrepreneurial, professional or family-run. With Indian companies now in the throes of a high growth trajectory, talent management and talent retention are becoming key responsibilities. Efforts and talent practices should be routed towards creating higher retention to be able to be better equipped with talented workforce. Past research shows that talent management practices have the greatest return on investment when aligned with key success indicators of an organisation.

This paper therefore deals with important needs and essence of Talent Retention in today's organisations which face intensive competition. It highlights the various facets of Talent Retention, its practices as well as depicts the various areas like commitment, satisfaction, hierarchical level of the employees etc., that retention needs to cater to and studying the relationship between the strategies that organisations implement and expectations of employees. These findings would help learning organisations explore and analyse the best practices that need to be undertaken to understand talent management, whether the strategies that they have adopted are giving them an edge in adapting and accepting change and to promote learning as a positive necessary aspect of the company culture. It is inevitable to understand the nuances of an organisation without understanding its employees. Talent is important and organisations insist on the right kind of talent to be able to sustain competition and survive. Without having the right set of talent practices organisations may fall prey to competition which would invariably affect the survival of organisations.

**Keywords:** Learning Organisation, Talent Management, Talent Retention, Talent Strategies, Employee Value Proposition (EVP)

## 1. INTRODUCTION

In an era of cut-throat competition and knowledge-intensive organisations, the war of talent has only grown more essential. Retention of talent today is the biggest challenge. This paper looks at how organisations today are managing and retaining their valuable talent. A lot of literature is available on the various retention strategies that organisations adopt. There has been ample research work done in the field of effect on employees and organisations. However, not much has been researched on understanding how a valuable talent is identified and how organisations align their practices and strategies to be able to match the expectations of their talent. Also a thought needs to be given to the planning to talent strategies and the implementation of the same.

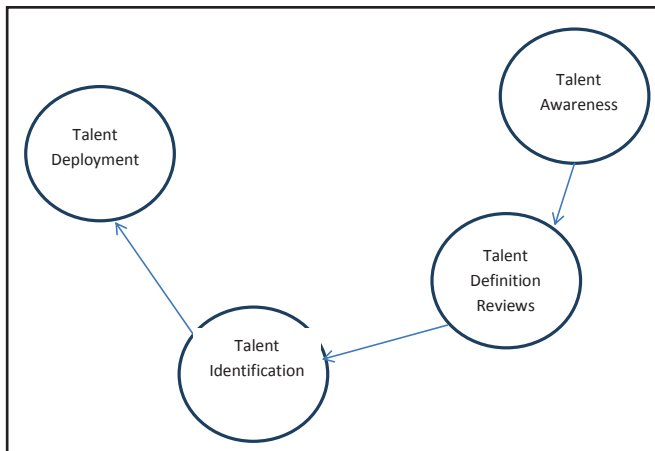
This paper therefore aims at studying the relationship between the strategies that organisations implement and expectations of the employees. Findings would help organisations understand whether the strategies that they have adopted are giving them an edge in retaining talent. It would also help them explore what more can they plan in order to effectively retain their talent.

## 2. EVOLUTION OF TALENT MANAGEMENT

Practices have changed from Personnel Management which looked at only functions of hiring and firing to Human Resource Management which included the functions of recruitment, selection, training & development, performance management etc. This shift of functionalities in the latter half of the 21<sup>st</sup> century has now increased its purview towards identification of talent, to managing, developing, engaging and retaining talent. In the late 90s, McKinsey devised the term '*war of talent*' as more and more organisations realized the potential of their inbuilt talent (Chambers, Foulon *et al.*, 1998). Organisations not only looked at attracting skilled professionals but also be held at maintaining the talent that they have hired/created. In most cases talent was recognised and identified as employees that served towards effective fulfillment of organisational goals. Thus the first step that organisations undertook was to understand and define talent who are today serving an edge to the organisation (Duttagupta, 2005). Having done that is when organisations could then look at identifying and deploying these key talents in respective roles of the company. This gave rise to the concept of Talent Cycle (Figure 1). This cycle iterates

the process of Talent Management as defining, identifying and deploying talent. It further pines that it is an ongoing process that organisations would adhere to, in order to be able to have a healthy and competitive talent management system in place.

**Figure 1: Talent Cycle**



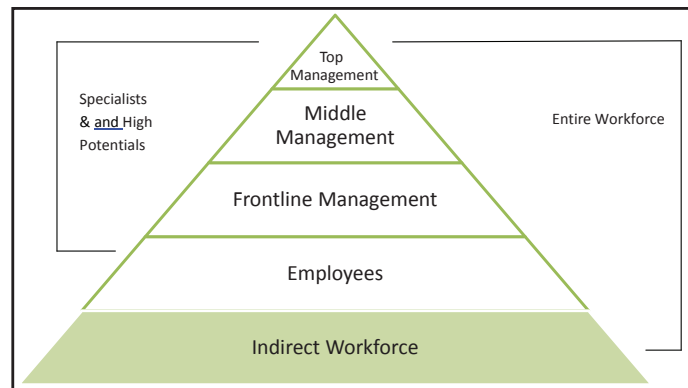
Source: (Duttgupta, 2005), Modified by Author

### 3. TALENT MANAGEMENT IN THE 21<sup>ST</sup> CENTURY

'War of Talent' as coined by McKinsey, has been researched and has attained a phenomenal degree of interest from academicians and practitioners. There has been varied literature available on talent, and talent management. Talent Management, according to Collings and Mellahi (2009), can be defined as activities and processes that involve the systematic identification of key positions which differentially contribute to the organisation's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organisation. One set of literature labels talent management as traditional HR practices and the other set of literature talks of talent management as Strategic HR literature which amounts to rebranding of HRM through identifying employee needs and managing progression of employees. A third set of thought talks of talent management as a function which fills its employees with "high performers" while low performers are moved out of the organisation. This school of thought is highly debatable as it is impossible to fill the organisation with only "high performers". A fourth school of thought emphasizes on identifying key positions which attribute towards the competitive advantage of an organisation. These varied thoughts lead us to the fact

that Talent Management is under immense scrutiny. In his research, McKinsey (2008) has emphasized that Talent Management in the 21<sup>st</sup> century needs focus on instilling a deep commitment to talent throughout the organisation, starting at the top most level in the organisation structure and cascading through the ranks. The earlier focus on attracting, maintaining and retaining only key talent might not help the organisations gain competitive advantage, and therefore it is necessary to follow and practice talent management through the different layers of talent. The myth that talent lays only the top management has proved organisations major employee turnover from the other layers of the hierarchy. Many organisations like Microsoft, Southwest Airlines, have shifted their focus from the top management to the other layers of talent as they realize that a meager focus on a certain level in the hierarchy is leading to potential employee losses.

**Figure 2: Layers of Talent – Workforce Pyramid**



Source: (Wall & Aijala, 2008)

The layers of Talent clearly depict that talent is not restricted to only the top management. Specialists and high potentials are found across the levels of the workforce. Literature in this context is emphasizing although top management comprise of 40% of a corporate performance, the other layers of the employees cannot be neglected as a premium focus on these leads to dissatisfaction of the B players in the organisation. A majority of any organisation is comprised of the B players, the capable, steady and consistent performers. Therefore organisations needs to develop a talent management system which would take into consideration not only the top management or the A grade performers but would also needs to focus on the different tiers of the organisation which would comprise of the B grade performers as well.

### 4. TALENT RETENTION AND ITS SCOPE

Skills of the employees of a company are an intangible asset which, together with the other intangible assets, is added to the tangible assets, becoming the full assets of the

organisation. The company's competitiveness is therefore dependent on its ability to have talented workers. If in the short term, the choice of the right talent can be a competitive advantage, in the long-term competitive advantage that may change, because the talents can be attracted to move to other companies, more attractive. Therefore, companies must be prepared to respond to this cycle of change, continually attracting new talents (Florinda Matos, 2012).

In an era where skills and knowledge of employees are amongst the main competitive enablers, organisations cannot ignore the significance of attracting and retaining talented people. The new economy is characterized by a volatile talent demand-supply equation set against erratic attrition trends and boundless cutthroat competition, and organisations have never had a tougher time in finding, managing and nurturing talent. The impact of talent shortage obstructs organisational efforts to execute against growth strategies thereby rendering sustainability threats to organisations and straining economic growth. The transition from the industrial era to the knowledge era has changed the employer-employee relationship paradigm, and the supply and demand curve for talent is becoming increasingly favoured towards the talented employee. The quest to win the talent war confronts companies around the world to realign their employer brand efforts in a bid to mitigate talent limitations (Annelize Botha, 2011).

## 5. CONSEQUENCES OF LACK OF TALENT RETENTION

Cut throat competition gives employees attractive and lucrative offers from the external job market. It is very easy to influence individuals to "hop jobs" in lieu of better emoluments. Organisations need to understand and define their key talent, the loss of whom they cannot afford. Often organisations assume that their employee resources are glued to the company till they receive monetary emoluments as monetary benefits are a key factor that determines retention. But such a belief can become a farce in the long run. No organisation can keep offering monetary benefits to its employees to keep them committed to the organisation. It is therefore necessary to identify the factors that make employees committed and loyal to an organisation (Shelton, 2001). This not only would take care of the short term goals of the company, but also gives the organisation a long term commitment from its key talent. Looking at today's weak loyalty to the organisation, employees "hop jobs" for better opportunities outside. The organisation does not have to tackle only with the problem of losing a valuable employee, but also is that of process and the cost of replacement (S. R. Kavitha, 2011). To understand what to do to retain their valued talent, it is necessary that they first understand what attract talent the most. An employee lost is a resource lost

and this not only means that there would be a cost incurred in hiring and training a new incumbent but also means that productivity and corporate morale would be at a loss (L., 2011). Employee turnover can cost the organisation almost 4 to 5 times more than an annual employee salary.

## 6. FACTORS INFLUENCING RETENTION

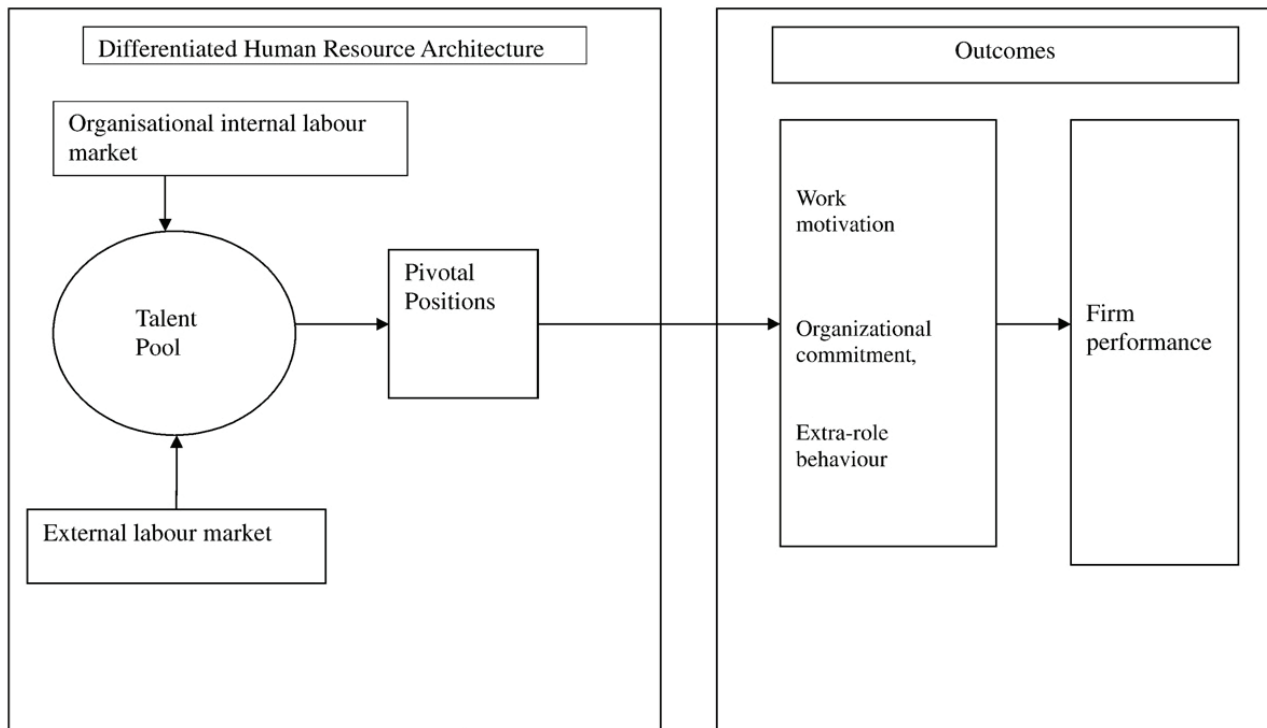
Employer Brand seems to one of the most important aspects behind being committed and dedicated towards the organisation. However the gap is between the talent that the organisation has recruited and the talent that is required for the said job. This gap leads to dissatisfaction which in turn leads to attrition (Andy Brown, 2003). Attrition is a result of multiple factors. There is an indirect relation between stress and job satisfaction as higher the stress, lower is the satisfaction. Similarly, satisfaction and organisational commitment are directly related where lower the satisfaction lower is the commitment towards the organisation. An employee who is happy with the organisation and has a positive feeling towards the company and his work is said to be satisfied with the organisation and his commitment towards his work would be high. "An emotional connection that an employee feels for his/her organisation that influences him/her to exert greater effort to his/her work", or "how committed an employee feels to their work or employer is what refines into job satisfaction and higher engagement towards the organisation (Brown, 2010).

According to Prabhu (2010) and Patil (2012), other factors which lead to lower satisfaction are:

- (a) Slow Growth
- (b) Stressful Work
- (c) Poor social life
- (d) Lesser opportunities for succession
- (e) Lesser opportunities to learn more
- (f) Lack of newness to the work
- (g) Mismatch between knowledge and application
- (h) Expatriation
- (i) Dissatisfaction with compensation
- (j) Lack of support from the organisation

## 7. STRATEGIES ENGAGED BY ORGANISATIONS

How attractive a movement is considered, is commonly defined by an individual's satisfaction with his/her job, while the ease of movement to a better perceived alternative reflects the opportunities that alternative job profiles are offering in the market. Therefore it is necessary to provide employees with adequate opportunities to grow and explore within the organisation. There has to be key focus given to advancement

**Figure 3: A Differentiated HR Approach: The Talent Management Approach**

Source: (Collings, 2009)

as well as enhancement of knowledge that employees can gain from within the organisation. It is also evident that employees are more likely to stay in an organisation to build a long tenure. They grow higher on the experience curve and also enjoy the benefits of seniority related perks and outcomes. Another major influence on retention is the balance that the organisation provides between work life and personal life. This is also viewed highly as almost all employees value this attribute as a major parameter towards effective performance. (John P. Hausknecht). Organisations would therefore require creating and maintaining a positive reputation, internally as well to be able to retain (S. R. Kavitha, 2011). Mobley *et al.* (1979) conclude that results from studies on the role of pay in turnover were mixed but that often there was no relationship between pay and turnover. Griffeth (1995) noted that pay and pay-related variables have a modest effect on turnover. However, studies have revealed that most employees are satisfied with their work and organisation and that is the very basis behind staying onto a certain organisation. Employee retention programs that encourage higher education, provide growth and knowledge sharing opportunities, career planning, cross functional exposure are more valued and strongly influence their decision to stay with the organisation. Also factors like compensation pattern, and a responsible career – personal care enhances their productivity as well as commitment towards the organisation. There are other intrinsic factors

which either lead or do not lead towards commitment. Few of the intrinsic factors identified are as follows:

- (a) Succession Planning
- (b) Coaching and Mentoring
- (c) Encouragement to higher education and learning
- (d) Safe, comfortable and supportive Work environment
- (e) Flexible Work Schedule
- (f) Encouragement and Recognition
- (g) Recognition to Employee Ideas and Suggestions

A theoretical framework created by Collings and Mellahi (2009) proposes that the right talent pool in the right positions with the right set of support given would be highly motivated and committed to work. Unless organisations realize their key potential and make efforts towards deploying them in the right position, it would be difficult to retain them. Motivation and commitment have already been discussed in the literature. Extra-role behaviour pertains to the employees' eagerness to take up more responsibilities and work so as to be able to give higher performance and help the organisation grow. The outcomes iterated in Figure 3 are clear attributes that can help the organisation perform well. However, unless the organisation provides freedom and flexibility to the employees' it may not be possible to foster these outcomes. In spite of tremendous efforts by organisations, employees' still leave the former to join

**Table 1: Flexi Workplace Practices**

Traditional Workplace Practices	Flexi Workplace Practices
<b>Flexi-timing:</b> employees should punch in minimum required hours and should be present during the core hours	<b>Work at home facility:</b> can take work at home and work from home and fulfill the desired task
<b>Part Time Work:</b> fixed schedule of time is set for the employee	<b>Home base telecommuting:</b> employees work at home but not everyday
<b>Job sharing:</b> duties and responsibilities are shared	<b>Satellite offices:</b> to work at a location convenient to the customer or client which need not be the branch office
<b>Compressed work week:</b> working overtime in a day instead of working for the entire week to fulfill the minimum required hours a week	<b>Neighborhood work center:</b> to work at a center nearest to home where other companies could also be accessing the resources to a certain pre-specified extent
<b>Annualized hours:</b> replacement of monthly or hourly hours of work into annual system	<b>Mobile working:</b> to work while moving i.e. while in a vehicle, train, plane, public transport, etc.
<b>Weekend hours:</b> to work on Saturdays and Sundays only	<b>Virtual working:</b> teams of people are on the same platform for the same work. They disband once the work is accomplished
<b>Shift work:</b> to work according to the batch time decided	
<b>Overtime:</b> to get paid for excess working time	
<b>Temporary / Casual work:</b> employed on a temporary basis for a set number of hours	
<b>Averaging of hours of work:</b> working hours are averaged over a period of time	
<b>Fixed term contracts:</b> employed for a fixed tenure	

Source: (O'Brien, 2008), modified by Author

another competitor in lieu of a better future. The framework looks at commitment, motivation and an extra role behaviour as an outcome of well-planned and implemented strategies towards deploying talent in important positions. This also implies that identification of talent and provision of pivotal positions to the talent pool are of key importance; only then can these outcomes be looked at. If that is undertaken then other strategies towards nurturing the talent pool would be easier. Therefore, if need be, organisations should effectively look at first deploying talent in the right positions and then look at providing them with ample scope for growth, recognition and support.

Literature shows that various companies have different ways of following retention with a key emphasis on the talent they value the most. Grobler (2011) lays emphasis on Flexible Work Practices (FWP) which can be defined as a practice that enable both employee and the supervisor to customize work schedules, work arrangements, and responsibilities to accommodate family responsibilities, other personal circumstances and the employer (Bruyn, 2011). With all these evidences, it is found that to survive, organisations would have to not only obtain the best talent but also be able to capitalize and sustain on this talent. (Taleo Corporation Research, 2008).

In a compressed form the FWPs elaborated by Grobler (2011) are as shown in Table 1.

These FWPs are required in today's life as the workplace has changed with more diversity internally and availability of

more opportunities externally. Implementing FWPs not only helps the employee but also benefits the employer to retain valuable talent.

While FWPs are one set of strategies planned and operated, studies have also shown some other set of benefits that organisations offer. Benefits and offering as iterated by Meisinger (2007), Harris (2007), and Dockel (2006) are shown in Table 2.

**Table 2: Benefits Offered by Organisations**

Employer	<ul style="list-style-type: none"> <li>• Enrichment of retention</li> <li>• Cost savings in lieu of prospective training for a new incumbent</li> <li>• Competitive advantage because of productive employees</li> <li>• Lesser burden on recruitment, T&amp;D function</li> </ul>
Employee	<ul style="list-style-type: none"> <li>• Increased morale</li> <li>• Higher commitment</li> <li>• Increased productivity</li> <li>• Sense of belongingness and empowerment</li> <li>• Lesser absenteeism</li> <li>• More proactive at work</li> <li>• A perfectly balanced work life balance</li> </ul>

Source: Meisinger(2007), Harris (2007), and Dockel (2006); Modified by Author

**Table 3: Retention Strategies**

Factor / Strategy	Relevance
Competitive Pay	Pay is the easiest and most responsive strategy to retain. In a competitive job market initializing a competitive base pay would not only help create an external equity but also would influence the employee's decision to stay.
Career Advancement Opportunities/ Career Path Visibility	Growth is imperative in an individual's career. And therefore a clear career path or transparent succession planning gives the employee a vision of how he would grow the organisational ladder
Flexible Work Schedule	Flexibility at work would improvise work plus improve the productivity of each employee. Given the room for working on employees' convenience, also enhances the employees' work life balance
Learning & Development Opportunities	With work there needs to be ample emphasis on growing on the learning curve. Mundane work would soon dry off and employees would be very easily attracted to better opportunities in the external market. Therefore training, learning and development opportunities should be given at galore
Safe & Supportive Work Environment	Job security is an intrinsic factor which helps improve work and productivity at workplace. The sense of belongingness to the workplace would also improve
Encouragement & Recognition	Organisations should promote ideas, suggestions and feedback from employees. And infact value inputs should be appreciated and implemented thereby increasing the commitment of the employee towards the organisation.
Mentoring & Coaching	Mentoring may involve one-on-one relationship with someone close in experience level to the employee or in a group setting led by managers and partners, whose compensation and advancement are tied to their success in developing those they mentor. Also, reverse mentoring may be considered. Younger and new employees will feel more a part of the company if they can offer ideas on how to do things better and can build their mentoring skills early.

Source: (Patil, 2012); (Grobler, 2011); (B.R. Ananthan, 2011); (Harris, 2007); (Patil, 2012); (S. R. Kavitha, 2011); (Mishra, 2008); Modified by Author

According to Ramanaiah G. *et al.* (2011) employee retention involves 4 major things – compensation, work environment, growth opportunities and adequate support from the employer. And he further emphasizes that retention strategies would have to be created keeping in mind these factors as well as also considering the employee's needs and expectation from the company. Only then can the retention strategies prove to be successful and impactful in the long run. Organisations need to be employee-centric to be able to have effective retention strategies. Therefore, retention today is the strongest tool towards sustenance and securing competitive advantage. Most companies should realize this and implement these strategies in such a way that it is appreciated, valued and accepted in the right sense by all employees. Unless organisations are employee-centric and do not give employees the right platform to perform, retention would never be successful (Ashwathappa, 2010).

A snapshot of the various retention strategies so far, is shown in Table 3.

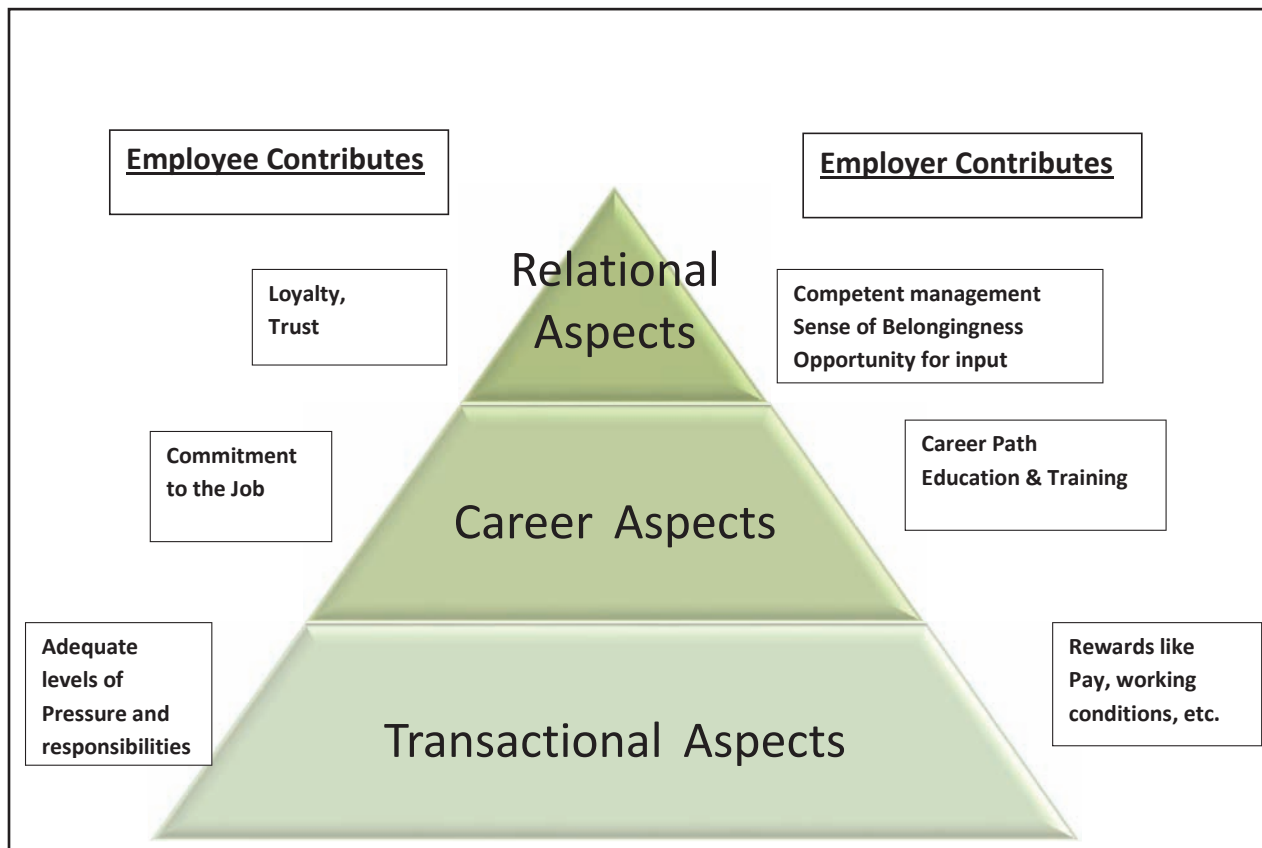
Employer Value Proposition (EVP) is another criterion which poses as an important deterrent towards retention strategies. EVP is defined as the distinctive total employment experience, or unique financial, and nonfinancial offering provided by an organisation in return for skills, capabilities and experiences an employee brings to the organisation (Annelize Botha, 2011). It is imperative that an organisation understands the value the employees hold, of the offering

that they provide to be able to have more effective retention rate. This becomes the most important criterion while deciding on the various strategies, and offerings that an organisation creates so as to have a higher retention ratio. However, there has not been sufficient empirical research done on understanding the value the employees carry for the benefits/ offerings/ strategies provided by the organisation in order to retain the employee.

Another important criterion that needs to be looked at, by organisations is the psychological contract that is shared between the employer and employee. The psychological contract iterates the transactional, career and relational aspects between the employer and employee. This contract is a result of the exchange of information, work and commitment given by both parties – the employer and the employee (Macquire, 2001).

The transactional aspects are an exchange of work & efforts by the employee and rewards by the employer. The second level talks about the career aspects shared by the two parties. While the employer exhibits a transparent internal career path, the employee exhibits higher level of commitment to the organisation. At this level, the employer is also aiming at creating higher employability for its employees through further development resulting from education and training. The third layer of the psychological contract demonstrates the relational aspect where the employers provides the employee a competent managerial position and gives the

Figure 4: Psychological Approach



Source: (Macquire, 2001); Modified by Author

employee ample opportunity to opine and give inputs. This instills a sense of loyalty and trust in the employee, which creates a longer tenure by employee in the organisation.

## 8. 1.8. CHALLENGES FACED

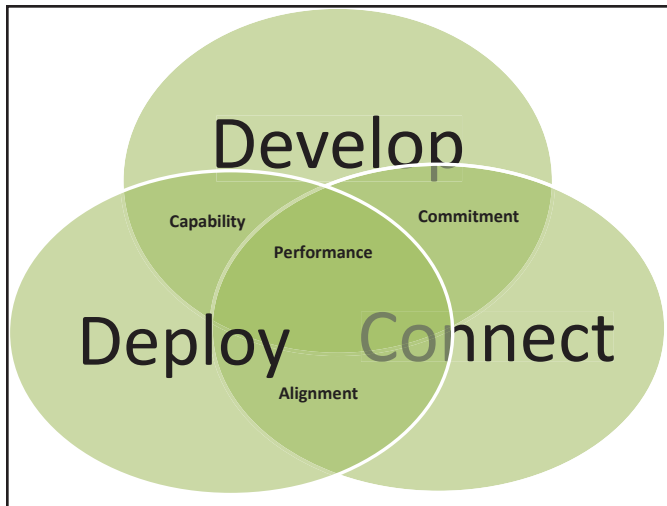
Talent Management as a concept has been developed with a view that externally organisations are facing a lot of challenges like globalisation, competition, and a more aware knowledge worker. But there are other internal factors as well which affect organisations of today. Demographics today play an important role. The Generation Y, people born post 1980, are people who have grown amidst technological developments of internet and have an access to information everywhere and anywhere. This cohort is known to be more demanding in terms of flexibility at work, meaningful jobs, higher rewards, and a better work life balance. In the absence of the same, they very easily switch jobs. They are more competitive than the earlier generation and therefore more difficult to manage. Another aspect is much talked about globalisation and therefore resulting into cut throat competition. This forces organisations to attract, hire and develop local talent with an international mindset. Such

talents need to be nurtured well for long term sustenance of the organisation. They should be given ample flexibility to develop and grow the structural ladder of the organisation. Another aspect which poses a challenge that managers in the organisation raise short term earnings forcing talent to focus on short term goals. This deprives them of the potential growth and development in the long term. This also becomes a hurdle for the organisation in the long run as employees lose their interest and switch jobs which attract on the basis of providing a better learning curve. Studies (Wall & Aijala, 2008) show that a shift in the mindset would help organisations to manage their employees more effectively. A Develop-Deploy-Connect model created by Deloitte (2008) focusses on aligning the employee's performance through higher commitment and capability.

The develop stage emphasizes that training needs to widen its horizon beyond classroom sessions, where employees are on trained on a "trial by fire" method and are equipped adapt to knowledge shared by mentors, peers and experts. The deploy stage categorically looks at identifying the key skills and capabilities that an employee possesses and accordingly position them in the organisational structure. And finally the connect model illustrates that employees need to be given

enough guidance and support that would enhance their performance and the organisations' performance.

**Figure 5: Develop-Deploy-Connect Model**



Source: (Wall & Aijala, 2008); Modified by Author

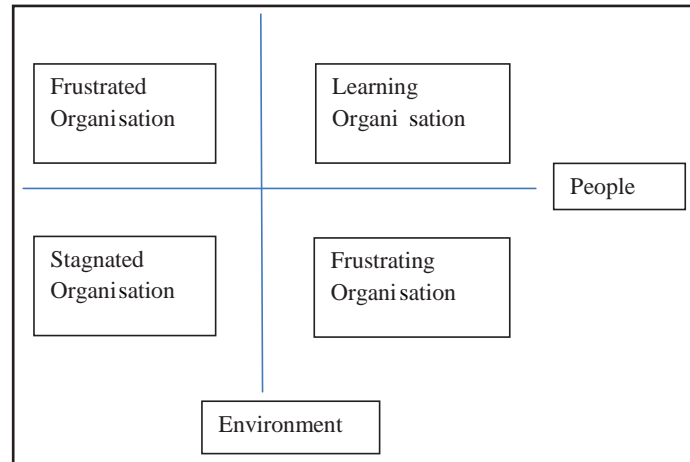
Another major deterrent towards effective talent management is the differences in age, gender, and career stages (Finegold & Mohrman, 2001). However, age and career stages can be combined. Young employees in their early stages of the career, eye at career advancement, financial rewards and strategic clarity. These factors drive them towards higher retention. While the middle aged employees would sustain in an organisation on the grounds of autonomy, professional satisfaction, as well as adequate work life balance. While the elder generation of employees who are at the verge of retirement would focus on job security, work life balance, and higher pays of the expertise that they possess.

## 9. TWO DIMENSIONAL MODEL OF LEARNING ORGANISATIONS

Carre & Pearn (1992) proposed a two-dimensional Model of Learning where they suggested that Organisational Learning is a two way process. The first dimension talks of the extent to which the environment provided by the organisation enhances the learning curve of their employees. The environment would include components like the structure, culture that lies within the organisation, while the second dimension mentions the extent to which employees have the motivation, confidence and competence to learn.

A stagnated organisation is one where learning has stopped. Employees do not have the motivation or the inclination towards new learning. Management is the sole party which takes decisions and disseminates the same down to its employees. Creativity, innovation and proactiveness cease to exist.

**Figure 6: Two-dimensional Model of Learning**



Source: (Carre, 1992)

A frustrated organisation is where employees do not have the confidence in the company's ability to adapt, learn and adopt new practices. This situation arises when an organisation is unable to realize that the employees' do not have the faith in them. The organisation is incompetent to notice and realize that their workforce might soon resent to attrition and unless they realize the problem areas, solution to the matter may not arise.

A frustrating organisation is one which realizes the potential of its employees' talent but is unable to give them the right set of environment to learn. Opportunity for training & development is low on priority for organisations.

A learning organisation is what is now in demand. With a strong vision, such organisations are keen on adapting to newer set of knowledge, practices and policies. The organisation is equipped to adapt to new learning and so is their employee force equipped to take on the responsibility of newer learnings. This happens with a right set of practices that the organisation builds in its culture which enhance the confidence in its employees that their organisation would be capable to resorting to updated practices. Culture is coupled with the strength of structural support which acts as a force for sustained learning.

## 10. CONCLUSION

It can be inferred that while organisations make an effort at designing talent management strategies, it is important to have a streamlined focus on the existent talent pool. This pool needs to be nurtured, developed and kept committed to the organisation to be able to create an environment conducive for them to grow and sustain in the organisation. Unless the organisation gives them an opportunity to perform and grow, employees might not be able to relate to their work and goals

and satisfaction may not be achieved. It is thus imperative to have a rationalized implementation of Talent Strategies in order to retain talent. The cost of replacing talent cannot be afforded in today's time. Therefore organisation would have to dedicatedly look at nurturing their talent in order to sustain in today's competition.

Every organisation should be able to develop an environment in them to be able to sustain and compete in the ongoing scenario. The best way to adapt to the external environment is to create a conducive environment within. This is where Talent Management reaps in. Organisations would not only identify the key talent but would also through their practices see to it that they are able to enhance the knowledge of their talent and are able to sustain and retain them for a longer duration. A right bent of Talent Management practices would definitely result in to the right set of Organisational Learning.

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