



## IMPACT OF TALENT MANAGEMENT ON THE PERFORMANCE OF AN ORGANIZATION: A STUDY

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### *Abstract*

Talent Management in an Organization alludes to those unique stages an organization embraces to enrol, create, and hold its pool of top talent. The means received ought to typically be inventive and ought not to extend organization. Talent Management likewise means a purposeful methodology taken up by an organization to attract, create, and hold people with the fitness and capacities to meet the present necessities as well as future organizational requirements. As business scans for new as well as better methods for accomplishing competitive advantage, the limit of each functional region to improve organizational performance is under investigation. Employee retention and talent management have been a basic issue for some organizations over the globe and an equivalent testing circumstance for HR managers. According to a gauge, the expense of losing an employee extends between one to 2.5 occasions the employee's pay rates. With high employee turnover, enterprises dependably face the danger of lower productivity, diminished employee engagement, increased training costs, and unwanted notoriety of employee steady loss. Organizations do understand the impact of employee retention on the long-haul development and success of their organizations, particularly in the competitive Indian IT (Information Technology) industry. Technological advances and worldwide challenge are the primary drivers of changes in business designs, prompting serious challenge between bosses to attract and hold talented specialists. The present article discussed about impact of talent management on the performance of an organization.

### 1. OVERVIEW

In these days of highly competitive world, where change is the only constant factor, it is important for an organization to develop the most important resource of all - the Human Resource. In this globalized world, it is only the Human Resource that can provide an organization the competitive edge because under the new trade agreements, 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 that is very hard to find.

In writing, talent management is characterized as a procedure to attract, create, and hold high potential entertainers from outside just as inside the organization. It is a persistent procedure of

outer enlistment and determination and inner development and retention. This is accomplished through talent obtaining. Talent obtaining is a proactive methodology for long haul point of view in which high talent are selected not for just current positions but rather for future positions which are not yet known but rather is relied upon to be there in future. Besides, talent obtaining includes talent recognizable proof and development as well as talent engagement and retention in the organization. They discovered three significant recognitions for talent management. The first is that talent management is included "an accumulation of run of the mill human resource department practices...such as enlisting, choice, development and profession and succession management".

This idea contends that talent management is minimal more than customary HRM. That is the origination of talent management all the more explicitly centers around anticipating or displaying (in support of dealing with) the progression of human resources all through the organization, based on such factors as workforce skills, free market activity, and development and steady loss. This origination represents talent management being pretty much like HR planning if especially associated with other organizational databases and systems centers around sourcing, creating and rewarding employee talent, for example, attention on a chosen few versus all employees (high potential employees). And furthermore, the talent of the organization is the key employee with recognized performance and fitness who can give a competitive advantage to the organization.

This point of view of talent management has seen evidential success as far as organizational performance and acknowledged gains in deals and profitability. Today we are living in a period where change winds up unavoidable. To run organizations easily, viable and effectively, the most significant and essential factor organizations need a human resource. The success of an organization relies upon the persevering, faithful, and included managers and employees. Management of employees is generally subject to the nature of leading organizations had.

In this setting, Talent management (TM Employee Engagement (EE) ideas have been broadly considered in management writing in the previous ten years. The two ideas have been a zone of enthusiasm for the two practitioners and scholarly scientists. Accordingly, different examinations have been directed independently for every idea meaning to explore their impact on organizational performance. The present examination investigates the relationship between talent management and employee engagement and by looking into the relationship between the two ideas and exploring there impact on organizational performance. The purpose behind leading this exploration is that a large portion of the examination about this subject has contemplated the relationship between talent management and by and large organizational performance [1-7].

## **2 THE EFFECT OF TALENT MANAGEMENT ON ORGANIZATIONAL PERFORMANCE**



This generally ongoing accentuation on talent management speaks to a change in perspective from progressively conventional human resource related sources of competitive advantage writing, for example, those that attention on organizational elites, including higher class writing, and strategic human resource management (SHRM) towards the management of talent explicitly fit to the present unique competitive condition. While the setting may have moved essentially since the last piece of the only remaining century, the thought of talent management stays significant. Seemingly the test of expanding the competitive advantage of an organization's human capital is considerably increasingly huge in the recessionary atmosphere of the last piece of the opening decade of the twenty-first century.

Strategic talent management as activities and procedures that include the systematic distinguishing proof of key positions which differentially add to the organization's maintainable competitive advantage, the development of a talent pool of high potential and high performing officeholders to fill these jobs, and the development of a separated human resource design to encourage filling these situations with skilled occupants and to guarantee their proceeded with promise to the organization.

Key positions are not confined to the top management group yet additionally incorporate key positions at levels lower than the TMT and may change between working units and for sure after some time. In spite of the growing notoriety of talent management and over a time of discussion and promotion, the idea of talent management stays indistinct. There is an irritating absence of lucidity in regard to the definition, degree, and by and large objectives of talent management, a view which additionally wins in the practitioner writing. HR experts attempted talent management activities, anyway just 20 percent of them worked with a formal meaning of talent management. The present condition of talent management writing is exacerbated by the fact that, notwithstanding ambiguities around the meaning of the idea, there has likewise been a disturbing absence of hypothetical development in the territory. The above-featured inadequacies in writing on talent management have constrained both insightful work on the subject and its practical handiness. This shortcoming is noteworthy for various reasons. Most strikingly, a critical assortment of strategic HRM writing has indicated the capability of human resources as a source of supportable competitive advantage and contended that the resources and capacities that support firms' competitive advantage is straightforwardly attached to the abilities of talented people who make up the company's human capital pool.

Further, an ongoing investigation of 40 worldwide organizations found that every one of them recognized an absence of an adequate talent pipeline to fill strategic positions inside the organization, which impressively obliged their capacity to develop their business. At long last, talent management activities possess a lot of organizational resource s. Without a doubt, an ongoing report found that Chief Executive Officers (CEOs) are progressively associated with the

talent management process, with most of those overviewed spending more than 20 percent of their time on talent issues, while some spent up to 50 percent of their time on talent issues.

### **3 TALENT MANAGEMENT: HIRING AND DEVELOPING ENGAGED EMPLOYEE**

The top trends in the field of human resources (HR) in the United States (US) as forecasted by the Society for Human Resource Management (SHRM) have remained relatively constant since 2003. US Human Resource Management (HRM) specialists tend to emphasize domestic issues related to healthcare and legal challenges. This emphasis differs from trends found in the international arena, where HRM professionals identified the following as their key priorities for 2013 and beyond:

1. Managing talent
2. Improving leadership development
3. Enhancing employee engagement

Granting that there are a multitude of challenging issues under the umbrella of HRM, managing talent and enhancing employee engagement have been among the top four key priorities for HR leaders in the US since 2008 with improving leadership development (LD) coming to the forefront beginning in 2010. These three international trends have domestic implications as the global competition for jobs and talent accelerates, economic growth expands in emerging markets and as students and workers gain cross-cultural savvy. Even with their importance as identified through HRM surveys since 2008, managing talent, improving LD, and enhancing employee engagement have not been considered together as a continuum within the context of higher education or libraries. Friedman writes that we live in a time when the world has become flat.

### **4. WORK PRACTICE EFFECTIVENESS**

Given the present condition of the business condition, employee engagement can be basic to business success. In an investigation of 35 huge business organizations with an enormous number of divisions, a positive correlation was found between employee engagement and generally business success. In development, this would mean employee engagement influencing the essential measurements of the undertaking conveyance process that covers creation, productivity, quality, safety, and the customer, just as accomplice (satisfaction) relationship. For employees to be locked in, they need to for the most part be satisfied at work. Shrewd organizations comprehend that glad employees are additionally increasingly profitable, steadfast, excited, and are focused on remaining at that organization.

Thus, most organizations attempt somehow to achieve this through contracting practices, having laborer amicable arrangements, advancing based on legitimacy, and so forth. In any case, many find that, disregarding their earnest attempts, their employees are commonly dissatisfied. This prompts their administrators rousing uninterested, uncooperative, baffled, and ineffective employees. The basic mediations used by management incorporate close supervision, motivational talks, potentially training, some type of incentives, or discipline. These conventional management intercessions have demonstrated to be inadequate over the long haul.

## **5. MANAGING ORGANIZATIONAL EFFECTIVENESS THROUGH TALENT MANAGEMENT AND CAREER DEVELOPMENT**

Businesses exist to achieve high productivity in their working styles and produce a competitive edge in the worldwide economy. To accomplish this edge and high proficiency, firms need talented and connected with employees. The job of human resource management turns out to be significantly more significant than any other time in recent memory in this competitive time. In this manner, talent management (TM) is dealing with the fitness, authority, and power of employees inside an organization. TM supports the procedure of enlistment and develops the people skills to satisfy the human needs of an organization.

The principal regions of TM incorporate enrolling, choosing, onboarding new employees, performance management, professional development, and employee engagement. An examination demonstrates that the absolute most noteworthy test in human resource is to make their organization's capacity to go after talent. Significant examinations have done to interface the talent management to the person just as organizational performance, yet little is thought about the job of talent management in improving employee engagement. The idea of talent management was first begun in the 1980s and 1990s.

## **6 TALENT MANAGEMENT GLOBAL PERSPECTIVE**

Managing talent is a test to all organizations with regards to globalization independent of the nation. Also, the worry about the shortage of talent is practically all-inclusive. Organizations around the globe are seeking a similar pool of talents. This is viewed as a worldwide work market for talents. The pattern of worldwide mix demonstrates organizations' institutionalizations in talent enrollment, development, and management, to guarantee their competitive position and consistency. In this way, organizations need to adjust worldwide prescribed procedures of talent management and in the meantime adjust the neighborhood prerequisites and nearby work market.

One hundred seventy human capital management experts and officials had the accompanying discoveries; 57 percent of organizations referred to the powerlessness to both get the talent

required and address talent necessities throughout the following five years as their top in general test. Seventy-nine percent of the organizations' main concern was the issue of challenges in actualizing succession planning. The investigation likewise uncovered that 71 percent of the organizations reviewed had formal retention plans for official and 65 percent for the mid-level management staff. These days, land, capital, and fixed resources are never again secret weapons for the organizations to be exceedingly competitive in the present economy. Human capital is a distinct advantage to adjust the organizations to the overall challenge. Subsequently, organizations are going up against one another to procure and hold talents to keep up their tasks and keep on growing. The war for talent isn't just about giving talents money related incentives and material rewards, it is increasingly about developing techniques and methodologies that will guarantee talented people, who are happy to learn, emerge and contribute.

## 7. CONCLUSION

Writing demonstrates that talent management significantly affects the person just as organizational results. To our knowledge, the past writing did not clarify the relationship of talent management, vocation development and employee engagement with organizational viability. In this manner, to connect this hole, the present investigation expects to build up a system which directs the bank's management to improve their performance by giving individual development openings. The second objective of this examination is to research the intercession system of employee engagement in the relationship between talent management, vocation development, and organizational performance.

The motivation to attempt this examination is that each organization needs to accomplish its objectives by utilizing their resources at an ideal dimension, and the organizations can accomplish its best performance by developing their human resources. Talent management and vocation development are those huge practices which improve the dimension of employee engagement, which therefore increases the organizational adequacy. In this manner, the present examination endeavored to accomplish the best organizational performance through employee development practices. The essential commitment of this examination is to broaden the current group of knowledge by exactly building up the association between individual development practices (talent management and profession development) and organizational viability which was generally disregarded in the region of human resource development. Furthermore, the present investigation clarifies the intervention procedure of employee engagement in the relationship between talent management and organizational adequacy.

Organizations should plan such talent management programs that apply to their employee's talent and the future needs of the organization. Also, organizations ought to advance an agreeable

situation in which work exertion is composed. Organizations ought to advance such kinds of systems and strategies that enable them to think about the requesting talent. For the usage of this procedure, organizations need to think about the current and potential talent that is required.

Organizations have realized the need for talent management and are now focusing to develop and retain the existing talent in their organization rather than trying to acquire a new talent because the cost of identifying, developing and retaining the talent internally is more cost effective instead of replacing the talent which is lost from external market. Though it may appear initially that in the process of retaining talent, we are spending more in terms of increased wages, rewards and recognition, when we practically analyze, the cost of acquiring a new talent is higher. Apart from higher cost of acquiring the new talent it has to additionally face the initial hiccups of this new employee getting along with the organizational goals and strategies.

Every business unit is making sure that they can respond and withstand the challenges of talent crisis by developing an effective talent management strategy like identifying the key talented people in the organization, cultivating and developing the skill of their present workforce and retaining highly talented employees by protecting them from competitors. Workforce planning translates business strategy into talent management activities. Each company needs to understand the problem it faces, estimate the gaps in its industry and determine the skills it needs to meet business objectives. The direction in talent management is to a fact-based understanding and prioritization of what is needed. It's important not to adopt individual processes and tools in isolation from others. Talent Management is a new, more holistic approach to HR. Talent Management is beneficial to both the organization and the employees.

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