

**Interreg**  
**Greece-Bulgaria**

SeeG

European Regional Development Fund



# Title: Talent Management

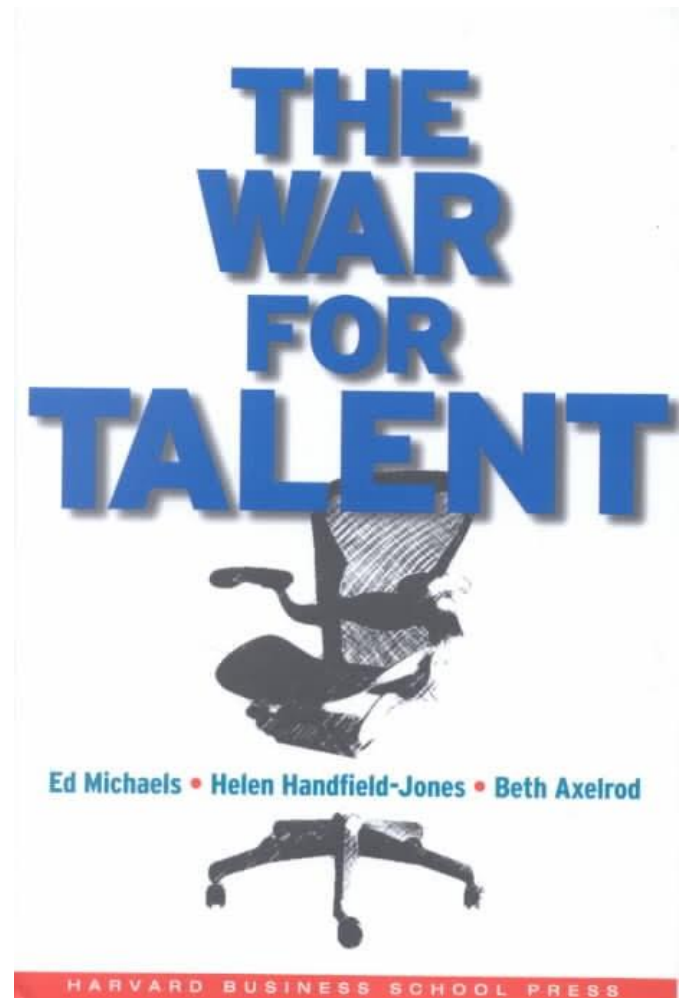
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# Talent Management-The Changing Context

- A seismic change in how people view work and the meaning work brings to their lives has created the biggest talent crisis in recent history.
- The situation is truly unprecedented. Today, 41% of employees in the global workforce are considering resigning from their roles, and 36% of those leaving their roles do so without having their next job in place.

(HBR, How to Attract Top Talent in 2022, <https://hbr.org/sponsored/2022/01/how-to-attract-top-talent-in-2022>)

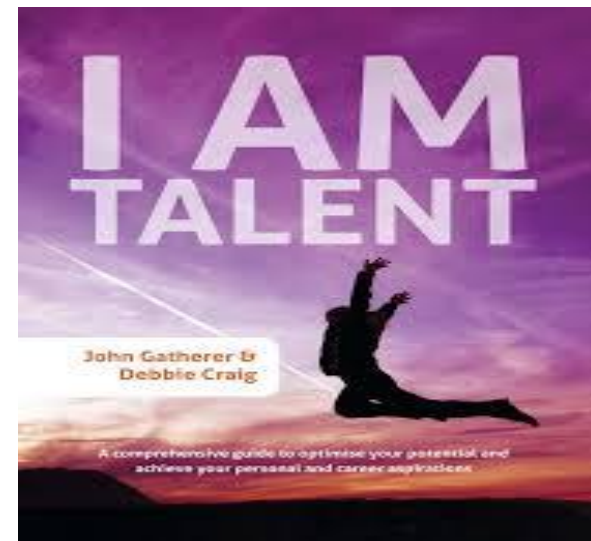


# Employee motivations are changing

In the past, competitive compensation was enough to attract top talent. However, with remote work becoming significantly mainstream, work-life balance (61%) is top of mind, according to Gallup.

In addition, companies with a strong purpose are an attractive proposition, especially to millennials and Gen-Z.

<https://www.gallup.com/workplace/389807/top-things-employees-next-job.aspx>



# Key Questions today's Organizations have to answer

**Who** are our top performers? **How** to hire and develop more people like them? Are there **Enough** of them? Are we **Retaining** the best employees?

**Where** did we recruit them from? Is there a clear **Growth / Succession** plan for them ? Is there a two way **Communication** with them? Do workers have the **Skills** needed to achieve the performance goals? Are the **Learning Initiatives** positively impacting performance? Where is the talent **Demand** outpacing **Supply**? How much of the **Turnover** impacts Customers, Productivity, Innovation, Quality. What are the **Financial** consequences of talent decisions on our business? Is anyone in the **Boardroom** worried about the status of the “talent pool” ?

# What is Talent and Talent Management (TM)

- In recent years, Talent Management is becoming very popular and attracted the attention of academics as well as HR professionals worldwide.
- Talent Management is considered more than Human Resource Management, Leadership Development, Career Development or Succession Planning.
- It is a collective approach to recruitment, hiring, retention and development of talent within the organization itself for its future benefit and includes strategic characteristics, while contributing to the culture of the organization.



## Origin

Old English talente, talentan (as a unit of weight), from Latin talenta, plural of talentum 'weight, sum of money', from Greek talanton .  
(wikidedia)

In Greek times, it was one of several ancient units of mass and was a commercial weight. The weight of talentov and its value were equivalent to a naturally occurring precious metal including gold and silver.

# The TM Content

- Talent Management may be viewed as:
  - an «organizational mindset or culture» in which employees are truly valued;
  - a source of competitive advantage;
  - an effectively integrated and enterprise-wide set of sophisticated, technology enabled, evidence-based HRM policies and practices;
  - and an opportunity to elevate the role of HR practitioners to one of strategic partner”
- According to Garavan, et.al (2012) “organizations are likely to make significant investments in talent development activities, so that talented employees possess the competencies to successfully implement business strategy”.

# The Talent-Strategy Framework



# TALENT MANAGEMENT...CRITICAL FACTORS



## 1. Business Context Driven

Aligned with goals, strategy and TM perspective

## 2. Leaders Engaged

Understand the business risks associated with TM

Who are committed partners in the TM process

## 3. Clear Scope and Purpose

Organization is clear about where it will focus its' efforts, and why.

## 4. Effective Processes and Measures

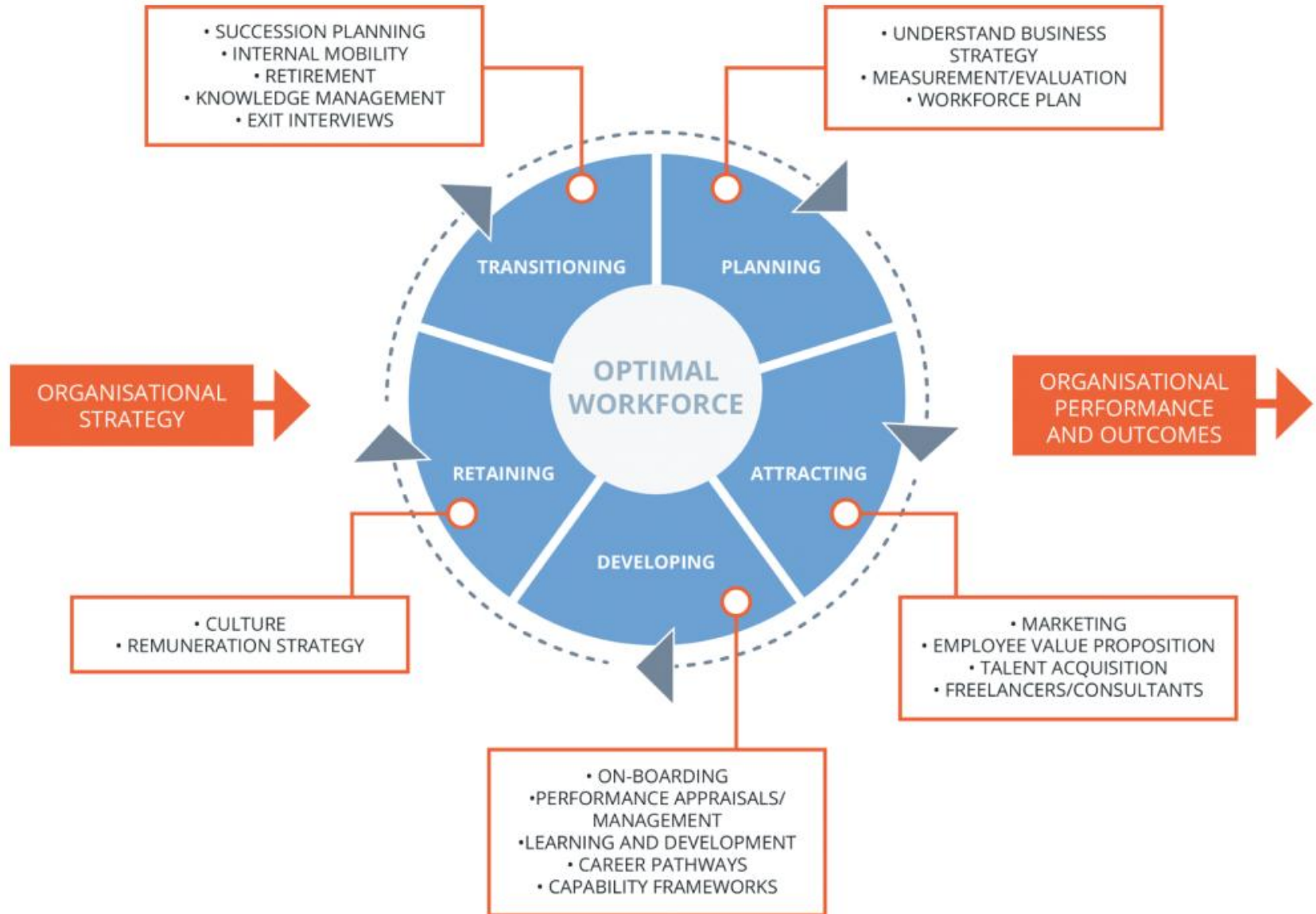
Robust and consistent approach  
Reliable information for leaders and individual employees



# Talent Management aims to:

- Identify and develop a credible pipeline of people to deliver the organisation's business plan (succession planning perspective)
- Develop the people that will make the biggest difference to the business, particularly those with the potential to work at the highest levels (workforce segmentation perspective)
- Engage and retain the best people (maximize contribution perspective)
- Generate information about talent demand and supply, so the organization can be fit for the present and the future (workforce planning perspective)
- Develop the capabilities of all people across the organization to drive business performance (organizational performance perspective)
- Embed business-driven processes to identify and develop potential (process perspective)
- Facilitate open two-way conversations to understand the true interests and aspirations of employees (individual perspective)

# TM Model



# Talent Tool

- **Measurements**

- Performance
  - What has been achieved - Results
  - How it has been achieved - Behaviours
- Potential framework
  - Judgement
  - Drive
  - Influence
- Organisational talent profile
- Potential to progress
- Our DNA

# Talent management metrics

- **Talent mobility**

Talent mobility is a metric that keeps track of the mobility of employees. Mobility can be both internal and external. Internal mobility is desirable to prevent external mobility.

- **Talent turnover**

Turnover in your talent pool is per definition unwanted. Talents are people who have a high future potential. These are the people that you want to educate and train so they can be even more valuable for the organization in the future.

- **Talent distribution**

Talent distribution is another insight that you want to keep track of. This can be very simple, using demographic variables like age, nationality, gender and so on

- **High-potential talent**

Another important talent management metric example is to know what percentage of the workforce qualifies as talent. Some organizations cap the percentage of talent at a fixed number.

- **Cost to hire**

The more traditional recruitment metrics can easily be applied to your talent pool. Cost to hire is an excellent example. It measures the total cost of hiring someone, including ad placement, sourcing costs, the invested time from manager and recruiter, et cetera.

- **Time to hire**

Time to hire is another recruitment metric example. It is usually measured as the number of days from the moment the vacancy opened up until the new hire signed his or her contract.

- **Exit interviews**

A final metric that you need to keep track of is exit interviews. You will want to know why your talent is leaving. Always. Knowing the common causes of employee turnover helps to prevent further damage.

# Which talent management practices should you focus on?

- **Employer branding:** Having a strong brand attracts even the best candidates.
- **Employer reputation:** Reputation is related to employee branding. An example of reputation gone wrong is the banking sector in recent years, especially after the 2008 financial crisis.
- **Candidate experience:** The experience of the candidate influences the employer brand.
- **Selection:** Spotting and selecting the best is a critical part of talent management.
- **Referrals:** Talent knows talent. Referral programs are effective as they help to pick up candidates that onboard quicker and perform better. We listed 7 [employee referral programs examples](#) you can take a look at to get inspired.
- **Onboarding:** Getting people up to speed as quickly as possible helps to make them more productive and increases employee retention.
- **Inboarding:** Yes, you read it right. When people are promoted internally, they also need support to achieve maximum productivity. This is called [inboarding](#).

# Which talent management practices should you focus on?

- **Engagement:** Engaged employees are motivated, perform well, and are more likely to stay.
- **Retention:** Retention strategies help to keep the best people on board. An example is [succession planning](#).
- **Succession planning:** You want to be able to fill crucial top positions whenever they become vacant. Having a talent pipeline that ensures succession planning is a key element in this.
- **Learning and development:** This is not only a common talent management practice, it's also a [Human Resource best practice](#). Educating employees helps increase performance and retention. After all, once you've recruited the best people, you want to make sure they remain the frontrunners in the field, right?
- **Performance management:** An essential part of managing talent is tracking and improving their performance.
- **HR analytics:** As we've said before, by leveraging data you can ensure that you're hitting the right KPIs that have an impact on business outcomes.

# Benefits of talent management

- Ability to attract, recruit and retain the best talent available
- Happy and fulfilled place to work
  - Targeted opportunities internal promotion
  - Reduced turnover and increased retention / stability
  - Reduced sickness absence / attendance
  - Increased confidence in your colleagues, managers and support
  - Organisational flexibility to respond to changing demands
  - Increased customer satisfaction / job satisfaction

# Common Mistakes about TM

- **Mistake 1: Assuming That High Potentials Are Highly Engaged**
- You've assembled the newest crop of candidates for your fast track, and your CEO is about to step forward to address the group. The room is filled with bright, shining talent. It would seem fair to assume that this group, of all the crowds you could have assembled, comprises people who are enthusiastic about your company. But if your young stars are anything like those at the companies we've studied:
  - One in four intends to leave your employ within the year.
  - One in three admits to not putting all his effort into his job.
  - One in five believes her personal aspirations are quite different from what the organization has planned for her.
  - Four out of 10 have little confidence in their coworkers and even less confidence in the senior team.





## **Mistake 2: Equating Current High Performance with Future Potential**

Research shows that more than 70% of today's top performers lack critical attributes essential to their success in future roles.

The practical effect of this is that the bulk of talent investments are being wasted on individuals whose potential is not all that high.



## **Mistake 3: Shielding Rising Stars from Early Derailment**

True leadership development takes place under conditions of real stress—“the experience within the experience,” as one executive told us.

Indeed, the very best programs place emerging leaders in “live fire” roles where new capabilities can—or, more accurately, must—be acquired.

# TRENDS IN TALENT MANAGEMENT

- Closer integration of talent management with business strategy making
- Increasing level of engagement of senior leaders in global, and functional talent reviews
- Shift toward more employee-centric approaches to talent management

# ***Research Framework to be considered for investigating Talent Development***

**The framework is that of Meyers, et.al (2020) called ‘talent philosophies’.**

**Exclusive/stable.** Employees are talented and that nature has provided these employees with special skills, capabilities, or ‘gifts’. **As a consequence of this belief, HR managers divide the workforce into a small group of employees possessing talent (< 20%).**

**Exclusive/developable.** **“talent is a rare** and latent construct that can be wasted if it remains undiscovered, and that will only result in excellent performance if it is systematically developed”.

**Inclusive/stable.** Builds on positive psychology and the inherent assumption that **every individual possesses stable, positive traits referred to as ‘strengths’,**

**Inclusive/developable.** Assume that all **seemingly ‘ordinary’ people can become extraordinary performers through dedicated training.**

# The Future of Work

The future of work will be centered around flexibility and choice. A majority of companies are moving to employee-centric models as they keep in mind that a sizable chunk of the workforce has relocated amidst the pandemic.

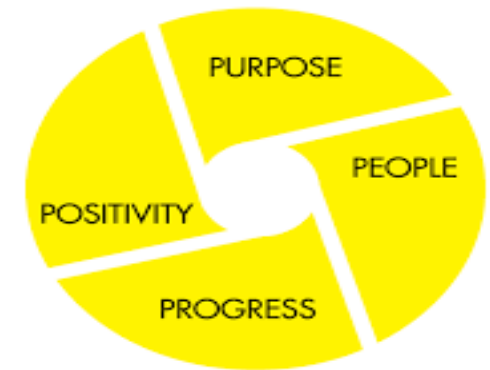
According to a 2022 Gallup report, 38% of fully remote workers would prefer a hybrid work option, with 53% expecting this arrangement, while 24% expect to remain fully remote.



## Employees want to:

- Feel valued
- Feel a sense of belonging among caring and trusted colleagues
- See the potential to grow
- Have the flexibility to integrate work with their personal lives

THE FOUR PILLARS OF HAPPINESS AT WORK

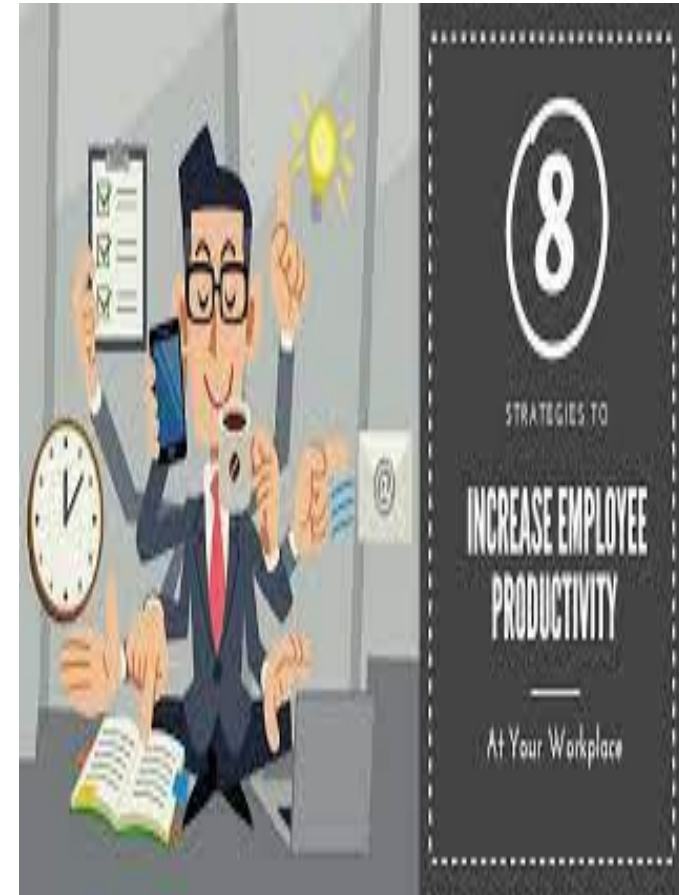


# Change the EVP (Employee Value Propositions)

- **Your EVP must be holistically linked to your purpose.** People are increasingly looking to join organizations that have a greater purpose beyond profitability.
- **You must foster a culture of belonging, flexibility, and growth.** How does your organization facilitate connection and inclusion? How does it help people learn and grow? How does it accommodate everyone's unique needs?
- **You must look inside first and create a movement.** Involving your people in the creation process is critical to ensuring your EVP is both real and aspirational.
- **Your EVP must be authentically yours and authentically human.** Make it authentically yours by emphasizing what you value as an organization. This means ensuring you tell the story of who you are and what you stand for. It's critical to connect social causes, diversity, inclusion, and sustainability to your EVP. This is what current employees and candidates are looking for, so make sure they clearly see who you are.
- **Your words and actions must match the employee experience.** Balance talking about where you are going (your ambitions and intentions) with what you're doing to get there. Anything you say to the world will be meaningless if your internal environment and actions don't support it.

# The McKinsey Study

- It's remarkable how much of a productivity kicker an organization gets from top talent. A recent study of more than 600,000 researchers, entertainers, politicians, and athletes found that high performers are 400 percent more productive than average ones.
- Studies of businesses not only show similar results but also reveal that the gap rises with a job's complexity. In highly complex occupations—the information- and interaction-intensive work of managers, software developers, and the like—high performers are an astounding 800 percent more productive.



<https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/attracting-and-retaining-the-right-talent>



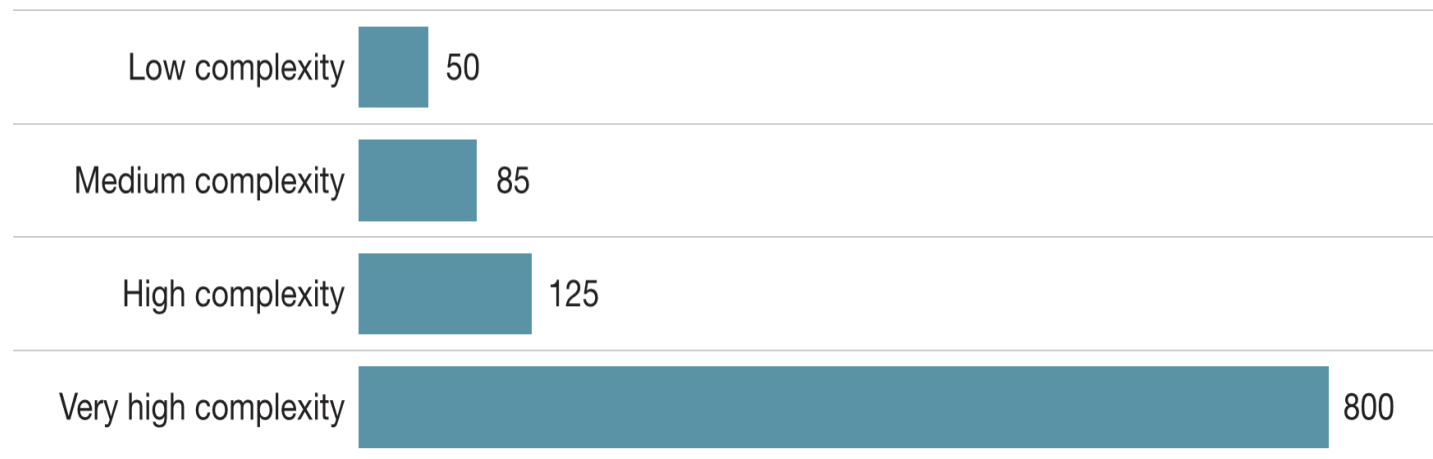
# Talent's attrition and leave

- HR software systems from Oracle, SAP's SuccessFactors, and Workday already gather information through sources such as LinkedIn to provide advanced warning when top talent may be thinking about jumping ship.
- At McKinsey, they use machine-learning algorithms to determine the three variables driving 60 percent of the attrition among our managers. Unexpectedly, all three are unrelated to pay, travel, or hours worked.

# TM link to Performance

The relationship between quality of talent and business performance is dramatic.

Productivity gap between average performers and high performers, by job complexity, %



# The role of the HR professionals in TM and TD.

The framework of Ulrich et.al (2012).

They identify six (6) fundamental competency domains that HR professionals must demonstrate to impact business performance.

These are:

- Strategic Positioner,
- Credible Activist,
- Capability Builder,
- Change Champion,
- Human Resource Innovator and Integrator and finally
- Technology Proponent.