Examining the impact of talent management practices on different sectors: A review of literature

First Author
Maitrayee Rout
Research scholar in department of business administration at Sambalpur University
Mail id:rout.maitrayee@gmail.com

Second Author
Dr. Biswajit Satpathy
Professor in department of business administration at Sambalpur University
Mail id:satpathybulu@gmail.com

Abstract:
One of the major challenges encountering business all over the world is to structure, retain and sustain talent human capital. Doing the business as well as to adapt to shifting demographics and diversified work forces, corporate world has to strengthen their capabilities and rejuvenate their organizations. The study analyzes literature review on talent management practices in different sectors. There have been many practices obtained by diverse industries in order to deal with the talent available with them such as talent pool, talent nurturing, talent retention, etc. Talent management starts with employment process, configuration of the labour force to the organization, budding the people and getting constant response to help in performance of an individual or an organization. This research mean to extract talent management practices which are adopted in different major industries such as banking, healthcare, industrialized ,edification, hotel & IT industry. This paper aims to provide a selective literature review of articles published in the last decade on talent management. The review also found that this research lacked a theoretical underpinning and that more research studies are needed to empirically validate some of the key variables emerging in this area of research. The study concludes with a literature synthesis and recommendations for future research.

Keywords: Talent Management practices, Different sectors

1.0 Introduction
Economic globalization has brought about changes in the business environment, thus affecting the quantity, quality and characteristics of the required talents. Under the background of internationalization and globalization, the competition for talents is more intense and the business model has shifted from market-oriented and financial mode to "talent-oriented" mode. Talent management has become a new field of great concern to enterprises in developed
countries. Since the term "the war of talent" was formally put forward in McKinsey's "better talent is worth fighting for" report published in 1998, the issue of talent management has gradually attracted intense attention from industry circles and academic circles.

The war for talent has becoming more challenges in order to fill the job pipelines with qualified talent (Cappelli & Keller, 2014a, 2014b; Collings, 2014; Festing & Schäfer, 2014; Hejase, Hejase, Mikdashi, & Bazeih, 2016; Kim et al., 2016; Lee, 2014; Nankervis, 2013; Ng, 2013; Nilsson & Ellström, 2014; Savaranan, 2013).

Talent consists of those individuals who have specific personality like skills, acquaintance, intellect, opinion, thoughts, ability for selfimprovement, creativity and manipulate (Wilska, 2014). As per List wan (2010), talents are exceptional potentials for any organization. Cheese (2008) defines talents who have several attributes like skills, experience, knowledge, positive attitude, willingness to learn, flexibility and for organizational perspective they should be acquired, developed and retained in line with achieving goals. The talent management practices are adopted generally differs from organization to organization on the basis of certain or suitable environment. At the same time, there are some practices which are prevalent in most of the industries.

Since the initiation of the war on talent in 1998, many large organizations are concentrate on both, type of labour & today’s labour market competition (Collings, 2014; Bethke-Langenegger et al.2011). Talent management practices are planned to help organizations exert a pull on, develop and hold on to talented employees (Mary et al., 2015). The goal of talent management practices is to develop potential employees to successfully advance organization’s effectiveness and performance for today and tomorrow so as to be present in the world stage (Barkhuizen et al., 2014; Zurich, 2012).

1.1 Objectives
The paper sets out with the following objectives:

- To conceptualize talent management;
- To understand talent management practices in different sectors;
- To identify the research gap.

1.2 Conceptualization of Talent Management
Talent management is a phenomenon with ambiguous definitions due to lack of a theoretical framework to govern its spectrum (Campbell and Hirsh, 2013; Ariss, 2014; Aljunaibi, 2014; Sirkova et al., 2015). However, the study will use recent definitions to provide a conceptual framework. For instance, Talent management is viewed as the strategy of identifying gaps in influential institutions’ positions with an aim of recruiting, selection, and development of suitable staff and motivate them to stay for succession planning initiatives (Bethke-Langenegger et al., 2011; Bauer and Greven, 2015; Nijveld, 2014; Kececiğlu et al., 2014). It is also a crucial factor through which individuals can brand organisational performance, either by short or long
term contribution and also demonstrate the uppermost levels of potential performance (Cannon and McGee, 2011; Maphota, 2016; Stanley, 2006). Furthermore, talent management normally targets the future sustainability of institutions existence and excellence (Annakis et al., 2014; Devins and Gold, 2014; Bethke-Langenegger et al., 2011; Hariss and Foster, 2010). Thus, it is important for industries to focus on someone’s credibility, skills and competence that can enhance change through provision of quality services provided to the customers (Collings, 2014; Ariss, 2014; Cannon and McGee, 2011). Additionally, it may also imply a collective value of worker coupled with the institutional strategic success (Devins and Gold, 2014; Nijveld, 2014; Sarangi, 2013).

1.3 To Understand Talent Management Practices in educational sectors

Kamal and Lukman (2017) – This research suggested that public universities need to think of an examination to assess their own particular staff in view of TM approaches. TM practices involve drawing in, creating and holding gifts which do accept will expand job satisfaction of the representatives if and just through research has been done on them.

Tyagi et al., (April 2017) - They state that institutions focusing on how to retain the talent and how to develop them. Where institutions are running at risk of talent crisis talent retention is the not only the choice of the managers but also the need for the institutions. The important factor which contributes to faculty retention and recruitment are benefits, supportive environments, spouse employment opportunities, start-up and resources and salaries. This research paper provides few strategies which institutions can adopt for attracting and retaining talent which is best available for them and conclude that talent management in the institutions can really help in identification of the right talent, development of that talent and retaining that talent in the institution for its success and growth.

Rao (2017) - This study indicates that talent management if used in educational institutions can help in identifying the core competencies needed by the faculties & talent constitutes the prime resource needed to reach the destination laid out in the organizational goals and vision.

Rudhumbu (August 2014) - He investigated that different talent management strategies private higher education institutions in Botswana use to attract and retain talent. Results of this study showed that talent management strategies of private higher education institution in Botswana is still work in progress as in a number of cases the knowledge and ability to implement talent management strategies were seen as lacking in these institutions and concluded that talent management strategies currently being used in most of the private higher education institutions in Botswana are overall ineffective as they are unable to engage, motivate and ensure talent retention and improved performance at their institutions.
Salau et al (2018) – They identified that talent development and retention strategies as predictors for facilitating innovation performance in the private University. It was recommended that management of the private university will consistently need to adopt reliable range of strategies to attract and retain people for excellence performance.

Mousa et al (2019) – The authors suggest business schools establish continuous academic rapport and feedback reports which would assist in monitoring talented academicians’ level of satisfaction towards their departments’ procedural justice, distributive justice, work-related communication and most importantly, the level of inclusion they feel. Originality/value – This paper contributes by filling a gap in HR management, in which empirical studies on the practices of managing talents have been limited so far.

Rostam (2020) – This research focused the influential and challenging factors in alternative nurturing and talent programming from the perspective of educational institution managers selection and replacement of talented employees employing and retaining talented employees nurture leaders with the right skills to execute effective succession plans create and maintain the right corporate culture with this program.

1.3.1 Talent Management in Hospital sectors

Dayel et al. (2020)- This research has explored the effect of talent management developments in Saudi Healthcare Sector. This study adopted a qualitative approach using a case study & suggested that there is a positive impact of talent management in the public health care sector in the developed countries.

1.3.2 Talent Management in Hotel Industry

Aliaksei Kichuk (Jan 2017) – He provides a unique insight into the experiences of employees in the hotel sector, with particular reference to personal career development. In recent years, there has been a shift in the academic literature from a focus on the organisational practices of TM to the experiences of individual employees, taking into consideration their views and aspirations for their personal career development. There leftovers much to be understood about the experiences of individual employees of TM practices in the hotel sector, and this study aims to fill a gap in knowledge.

It identifies empirically found concepts and their interrelationships and reveals the possibility to integrate TM and career development. This study marks the first piece of research to illuminate the experiences of individual employees within the hotel sector and the role of TM practices in
personal career development. Implications for practice and future research directions are outlined in order to identify the scope of work yet to be explored in this area.

1.3.2 Talent Management in IT Industry

Pasha and Ahmed (2017) - This study focuses to know the importance of talent management in corporate sector and to know the talent management strategies of I.T. Sector in India. The service sector and the information technology sector is heavily people driven and require proper management of its employees. Proper alignment of Talent management strategies with organizational goals and creating a culture where employees work valued will be helpful to sustain in the competitive environment for long period of time.

Sita and Pinapatı (2013) -- They examine that competency management as a tool for talent management in terms of talent acquisition, training and development and retention in Indian IT organisations. An attempt is made to identify the enabling and disabling factors of talent management.

Rani and Joshi (2012) - They have envisaged the relationship between talent management strategies and retention. Comparative study on talent management strategies in information technology company Infosys and automobile (Tech Mahindra) was made. Both the companies have talent identification through competency and assessment. The drivers of employee retention are organizational culture (60%), rewards (48%), pay (57%) and job security (52%).

Sangeetha and Rajakarthikeyan (2016) - The talent management is the basic tool in 21st century of human assets management. As Information and Technology (IT) industry play a vital role in the country’s economic growth, it is important to ensure the smoothness operations so that long-term growth and development can be achieved with fewer obstacles. The aim of this paper seeks to identify the common problems faced by the IT sector employees. For the accomplishment of this objective, data were collected from 100 IT Sector employees working with the help of self structured questionnaire. The results of the study highlighted that mangers don't give importance to develop the employee's capabilities and their career growth which in turn leads to talent attrition in IT Sector in India. This paper has taken top five IT sectors in India like (TCS, HCL, TECH MAHINDRA, INFOSYS, WIPRO).

Senthilkumar (2016) – This study opines an effort to analyze the Talent Management Practices and how to attract and retain the top performers in an organization especially in the selected IT sectors in Bangalore. The study area is one of the major IT sectors in Bangalore. The study is empirical in nature. A sample of 750 IT sector Employees in Bangalore district has been considered for the study. The study found that Job security, salary package and Educational
Benefits are the major Talent Management Practices where the employees are highly attracted and retained as a top performer.

1.3.3 Talent Management in Banking Industry

Talent Management Trends in the Banking Industry 2017-2018 the development of technology, changing demographics and the fluctuating economic and political situation, have all affected talent and employment. The banking sector is facing certain talent management challenges in the Middle East and further afield. These structures offer greater responsibility to employees and require leaders to rethink ways of communicating and influencing. At the same time, employees will have to rethink their career goals. Offering talent a purpose bigger than their needs is essential. In this sector’s talent management process, experts have found that an EVP (Employee Value Proposition) focusing on financial rewards is not enough anymore. Banks are recalibrating what they can offer talent, and there is a greater focus on emotional fulfillment.

Shukla (Dec 2014) - This study seeks to focus on issue of employee retention in public as well private sector banks. Public sector banks have been compared with their private sector counterparts on the basis of their employee retention policies. Both primary as well as secondary data has been used to ascertain the need of employee retention for banks and in depth analysis of various employee retention policies prevailing. Functional as well as HR manager were interviewed and results were analyzed separately. Study found that public sector banks are unfavorably dealing with the issue of talent retention and they don't have any defined employee retention policy where as private sector banks give prominent importance to talent retention and their various HR policies and practices are aimed to retain best talent in their organization.

Strategic posture adopted by corporate (Private or public) in functional areas like HRM, marketing, finance, R& D etc become the key for sustainable competency. So public sector banks need to identify the value of intellectual capital that lies in their employees and need of retaining that capital for optimum utilization. Retaining the superannuated and new talent employees may solve the various problem of human resource management faced by banking industry especially, public sector banks. Authorities and policy makers need to identify this issue and use it as tool to reformulate the policy of talent acquisition, development and retention. Because in the hyper competitive market, employees (Unique set of skills, abilities and acknowledge) are of prime importance.

Prathiba and Balakrishnan (2014) - This research study aims at identifying the challenges faced by private sector banks with respect to talent management, and findings out their challenge of filling the gaps and what are the strategies that need to be devised in order to reform their talent. This paper aims to review and discuss existing employee engagement strategies
adopted by private sector banks and the way in which they retain their core talent. It further aims to provide suggestions as to what should these banks focus on to ensure winning the war for talent. Private sector banks must not only focus in terms of having an excellent talent pool but also in their ability to draw the best from their talent.

**Hitu (2015)** – This study intends to explore the talent management scenario in the private and public sector banking industry. The major revelations from the study were, private banks are more interested in identifying the right talent, and developing and retaining it but whereas public banks are covering up with their job security, pension support. The study did not attempt to know the employee perspective about talent management and its relevance in both sectors of banks.

**Masod and Wani (2015):** The paper shows that the importance of talent management and retention of talented workers among the other human resource practices followed in the organizations. The authors tried to focus on the strategies improve the retention and development of talented employees and how to decrease the rate of attrition.

**Hardeep and Archana (2013):** This article tries to analyze the impact of talent management over the business performance of SBI by using corporate governance as an alternate measure. The major outcome of this study is top level employees characteristics have not much impact on business performance whereas ownership structure have a real impact on business performance. This paper tried to explore the relationship among corporate governance, talent management and business performance on an Indian perspective.

**Mani (2020)-** It is found that the effectiveness of talent management practices factors in banking industry in Kerala is moderate, that mean the impact of talent management practices factors like job related factors, recruitment & selection factors, training & appraisal factors and employee key factors is just above average level. When the difference of effectiveness of talent management practices among public sector banks and private sector banks are examined, it is found that there is no difference between the effectiveness of the talent management practices factors among the public sector and private sector banks.

### 1.3.4 Talent Management in Manufacturing Industry

In mature economies, manufacturers are grappling with aging workforces; talent shortages in science, technology, engineering, and math (STEM) and outdated employee value propositions. At the same time, they are trying to safeguard and convey knowledge, re-skill their workforces, and build new capabilities.
In the U.S., Japan, Germany, and the U.K., more than half the working population will be older than 40 by 2015, posing a significant loss of institutional knowledge as older workers retire and a near-term affordability dilemma, since their seniority commands higher wages and benefits. There is growing concern over the lack of competent young people in the direction of the manufacturing sector; the decline in employment stability and outdated and skewed value propositions in the sector have lowered its career appeal.

Talent management has a critical role to play in manufacturing organizations, particularly those who have implemented quality management systems including ISO. The inclusion of a talent management strategy along with the appropriate technology enables organization to create and automate the workflow around their process map, ensure all employees have the skills and competencies in place, and document compliance with quality standards.

**OTTAWA & ONTARIO (Sept. 8, 2009)** - Halogen Software today announced the industry's first and only talent management suite designed specifically for the manufacturing sector. This new offering will enable manufacturers to execute strategic HR programs and meet industry requirements for efficiency and compliance. Halogen developed the solution based on industry best practices and significant experience from over 200 manufacturing customer implementations.

A strategy that puts employee performance appraisals at the centre of talent management enables manufacturing organizations to measure key areas such as product quality, demonstrate certifications are up to date, and prove that employees are competent and so on.

This performance-centric approach also enables manufacturing organizations to create a logical workflow and process map that supports ISO, and can subsequently be used to support lean or Six Sigma initiatives.

To effectively meet ISO HR requirements and prepare for audits manufacturing organizations can use a Web-based talent management system to:

- Automate inefficient or manual processes for the documentation of qualifications such as training, licensing, certifications, competencies
- Centralize the storage of an employee’s credentials, training and competencies for easy access during audits
- Enable HR to focus on executing the talent management strategy, while giving managers resources required to properly manage and coach employees
- Track employee performance year-round and better demonstrate a clear link between their performance and organizational performance.
1.3.4.1 Key Talent Management Challenges facing the Manufacturing Sector:

1. Finding and keeping skilled Talent:
2. Training is unavoidable
3. Succession planning: do or die
4. Deciding whether or not to outsource

1.3.4.2. Implementing the Right Talent Management System

There are some best practices for selecting, justifying and implementing an automated talent management system for a manufacturing organization:

- Establish organization-specific business needs and expectations.
- Evaluate products and vendors to find the best match and use an evaluation checklist to identify must-have items.
- Estimate the costs, savings and ROI over the next three to five years including training, hosting, maintenance, support costs, as well as soft benefits of automating talent management tasks.
- Justify the purchase with a business case/presentation to leadership outlining business needs, requirements, options available, benefits and ROI.
- Secure organization-wide buy-in for the system to ensure success by involving stakeholders from IT, manage

Muling (2015) --It is an important sector which plays an important role in increasingly productivity and economy country. If retention rate of manufacturing industry is decreasing, this means that the manufacturing industry did not implement their human resource strategy as well. Therefore, the manufacturing industry wants to enhance the quality and performance of their employees, it is important to determine and understand in depth about the factors influencing the low retention rate in manufacturing industry in Malaysia. There are several independent variables influencing the retention rate of the organization, such as training and development, compensation, work environment and work life balance. This research is basically about the four factors which influence the retention rate of the talented employees. According to the past study, researchers had shown that there are significant relationships between the four independent variables and retention intention. Based on the evidence from the past study, the manufacturing industry should focus on these four variables to improve the performance of the industry and increase the retention rate.

1.3.4 Talent Management in Healthcare industry

Irtaimeh (2016) - This study is aimed at exploring the effect of using Talent Management Strategies (TMS) and Service Quality (ServQual) on Beneficiaries’ (Customers’) Satisfaction.
(BS) at Healthcare Sector of Jordan. The data are collected through questionnaire from healthcare sector of Jordan with intent chosen Princess Rahma for Pediatric Hospital in Irbid with 189 respondents who were at all levels, The findings revealed that the level of importance and implementation of Talent Management Strategies’, Service Quality, and beneficiaries’ Satisfaction were high at Princess Rahma Hospital supported by the correlations between these variables which were statistically and positively strong and significant. This study results revealed that a significant and positive effects of Talent Management Strategies and Service Quality as independent variables on Beneficiaries’ Satisfaction of Jordan Healthcare Sector at (P ≤ 0.05). The study recommended more studies related to Talent Management and its Strategies and tied them with other based-service companies.

1.4. Conclusions

From the above extensive literature review, it is found that the effectiveness of talent management practices influence in different sectors. Talent management is one of the important tools for nurturing human capital in majority of the industries. This study reveals that talent management practices has done in many sectors specially in banking sectors. It also found that innovative practices of talent management has practiced in service sectors like education sectors, hospitality sectors, IT service, hotel industries etc. Service sector gives more emphasis on talent management compared to manufacturing industry. Within a particular industry, talent management practices greatly vary. Most of the research has done in international perceptive so more research should be done in an Indian context.

Reference

5. Kichuk (2017)"Understanding Talent Management in the hotel sector: employees’ narratives of personal career development”
7. Anupam Rani, Dr. Upasna Joshi (2012) European Journal of Business and Management www.iiste.org ISSN 2222-1905 (Paper) ISSN 2222-2839 (Online) Vol 4, No.4,


10. Steven H. Lipstein, BJC HealthCare; Arthur L. Kellermann, Uniformed Services University of the Health Sciences; Bobbie Berkowitz, Columbia University; Robert Phillips, American Board of Family Medicine; David Sklar, University of New Mexico; Glenn D. Steele, xG health Solutions; George E. Thibault, The Josiah Macy Jr. Foundation. Workforce for 21st Century Health and Health Care.


17. Branch, I. substitute for talent development and management in educational systems.