

CHAPTER: II

REVIEW OF LITERATURE

Talent as a resource is getting into perennial or perpetual short supply, as companies are realizing its importance to drive their business. The whole process starts with attracting and hiring highly skilled people, developing them to suit one's requirements, then properly inducting and integrating them into the existing teams and all this, while not losing sight of the existing talent. Analysis of the Talent Management Practices in the field of IT industry has attracted many of the researchers and management practitioners around the globe. In India, research in the field of talent management practices has not taken up seriously when compared to the other countries and it is still in the minimum level. However, the contributions available from the authors and the researchers in India and other parts of the world in the area of talent management practices with special reference to IT industry provide insight into the solutions for the problem. To study the Talent Management Practices in IT industry and also to test the validity of the research, research work undertaken in various IT industries by eminent persons in the field of employee benefits, employee retention, compensation, performance management, training and development, recruitment, organization climate, relationship management have been reviewed.

The first part of the chapter has described the concepts which are available in literature related to Talent management and a few terms used in the IT Sector. The second part of the chapter has highlighted a brief account of the review.

2.1 Part I: Operational Definitions

Employee Benefits are provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such

benefits are provided by a practice or written policy of an employer or through an employee benefit plan.

Employee Retention refers to the various policies and practices which let the employees stick to an organization for a longer period of time.

Compensation refers to getting paid for the work that we do. The work can be as part of full time engagement or part time in nature. What is common to them is that the “reward” that we get for expending our energy not to mention the time is that we are compensated for it.

Performance Management is an integrated approach to deliver successful results in organizations by improving the performance and developing the capabilities of teams and individuals.

Training and Development is vital part of the human resource development. It is assuming ever important role in wake of the advancement of technology which has resulted in ever increasing competition, rise in customer’s expectation of quality and service and a subsequent need to lower costs. It is also become more important globally in order to prepare workers for new jobs.

Participative Management refers to as an open form of management where employees are actively involved in organization’s decision making process. The concept is applied by the managers who understand the importance to human intellect and seek a strong relationship with their employees.

Employee Relationship Management Every individual shares a certain relationship with his colleagues at the workplace. The relationship is warm, so-so or bad. The relationship can be between anyone in the organization - between co workers, between an employee and his superior, between two members in the

management and so on. It is important that the employees share a healthy relationship with each other to deliver their best performances.

Career Development is a continuous process where both employees as well as employers have to put efforts in order to create conducive environment so that they can achieve their objectives at the same time.

Talent Management as the name itself suggests is managing the ability, competency and power of employees within an organization. The concept is not restricted to recruiting the right candidate at the right time but it extends to exploring the hidden and unusual qualities of employees and developing and nurturing them to get the desired results.

Employee Engagement Organizations have come to realize that in today's constantly changing business scenario, the most valuable resource that needs to be leveraged is human resource. This means not just attracting the crème-de-la-crème and retaining them but keeping them motivated and committed to achieving the organization goals.

Organizational Culture refers to the beliefs and principles of a particular organization. The culture followed by the organization has a deep impact on the employees and their relationship amongst themselves.

Team work is a group of individuals, all working together for a common purpose. The individuals comprising a team ideally should have common goals, common objectives and more or less think on the same lines. Individuals who are not compatible with each other can never form a team. They should have similar if not the same interests, thought processes, attitude, perception and likings.

Motivation is the word derived from the word 'motive' which means needs, desires, wants or drives within the individuals. It is the process of stimulating people to actions to accomplish the goals.

Leadership is a process by which an executive can direct, guide and influence the behavior and work of others towards accomplishment of specific goals in a given situation. Leadership is the ability of a manager to induce the subordinates to work with confidence and zeal.

Organizational Values has a set of values, whether it is explicitly acknowledged or operating below the surface like a hidden curriculum. As a definition values are strongly held beliefs that are emotionally charged, highly resistant to change, and long-standing. They are the genetic thread that encodes an organization's instincts and philosophy and the source of its culture, strategy, and work styles.

Innovation Generating and implementing creative solutions. Trying different and novel ways in dealing with change and opportunity.

- Frequently asks for the involvement of others in solving problems
- Tolerates trying, failing and learning, celebrating together when learning leads to improvements.

Client Focused:

- Develops and maintains strong relationships with internal customers
- Uses understanding of customer needs, desires, and critical success factors to influence priorities, initiatives, and objectives.
- Anticipate customer needs and responds with appropriate and helpful solutions

Communicator:

- Takes advantage of opportunities to listen to others and to satisfy their need for information
- Provides information and exchanges ideas in a way that promotes open communication and understanding
- Shares information clearly and concisely- in accordance with the level of understanding of the audience and without holding back information necessary to others

Action Orientation Targets and achieves results, overcomes obstacles, accepts responsibility, establishes standards and responsibilities, creates a results-oriented environment, and follows through on actions.

Interpersonal skill Effectively and productively engages with others and establishes trust, credibility, and confidence with others.

Acquiring talent has four key issues: attracting (in essence, creating a talent magnet); recruiting (getting them into the organization); selecting (making the selection decision); and employing (actually putting them on the payroll). Each of these is an important step, often performed by different individuals.

2.2 Part-II: Reviews of Related Literature:

The survey of literature plays an important role in establishing the backup for any research work. It is felt that the justification of the present study can be clarified by reviewing the available literature on the subject to find out gaps in research before finally selecting the objectives of topic for the study.

Reviews Related to Recruitment:

According to Hamel G and Prahalad CK(2002) the authors of famous book *Competing for the future*, best laid plans can fall apart when potential applicants to an organization experience differing level of effectiveness or customer service as they steer their way through the recruitment process. It is increasingly essential for organizations to manage the recruitment process professionally, especially given the fact that many candidates will make active comparisons between their treatment as the hands of one organization and another. The negative effects of poor customer relationship management (CRM) can have on a candidate's perceptions of an organization are well known. For organizations to recruit successfully, they must manage effectively at all stages of the recruitment process and beyond and imperative must be to manage consistently and well the relationship the employer has with the employee throughout their time together and beyond.

Punita Jasrotia, (2003) explores that "The IT industry being people-oriented, what differentiates the best from the rest the quality of human capital in every organization". While there is plenty of talent available, the difficulty comes in finding the talent with best fit to the organization. Potential employees would like to associate themselves with companies which have a "brand" of success, leadership, people development initiatives and also instill a deep sense of pride and commitment. Not much effort has been made by organizations to improve their corporate image internally. However, with increasing global competition and a more mature work environment, Indian IT companies have also started looking at this facet of branding. Employer branding is all about company's value in the market, a timeless process that in today's scenario has gained even more significance. It is essentially a combination of the reputation of organization, the career offer and the corporate culture existing in the company. Typically, there are

two types of employer branding exercises. One is for prospective employees and the other for the current set of employees. In case of the former, the employer branding initiatives are targeted at building mindshare in potential recruits about the company as a preferred place of work. This can be in the form of communication through advertisements, third-party endorsements through the media, or going to campuses. Therefore, it is of much significance, through right branding the company can recruit the best talent and reinforce its position amongst its employees.

Julia Christensen Hughes and Evelina Rog(2008) opines that Talent management is an espoused and enacted commitment to implementing an integrated, strategic and technology enabled approach to human resource management (HRM). This commitment stems in part from the widely shared belief that human resources are the organization's primary source of competitive advantage; an essential asset that is becoming an increasingly short supply. The benefits of an effectively implemented talent management strategy include improved Employee recruitment and retention rates, and enhanced employee engagement. These outcomes in turn have been associated with improved operational and financial performance. The external and internal drivers and restraints for talent management are many. Of particular importance is senior management understanding and commitment. This article will be of value to anyone seeking to better understand talent management or to improve employee recruitment, retention and engagement.

Pallavi Srivastava and Jyotsna Bhatnagar(2008) explains in their study that talent management had become an area of growing concern where there is a need for practicing due diligence in their talent acquisition strategy. In order to meet the demands for talent with a specific skill set in a given timeline, the organizations are adopting innovative recruitment practices to find the correct skill sets and competencies. It also suggested that organizations should make an effort to build

effective, practical and holistic talent strategies which not only able to attract talent but also address employee engagement and the retention of key skills which boosts the employee productivity and business performance. During talent acquisition, due diligence is required in assessing the person-organization fit and providing an enabling work environment to keep the talent anchored to the organization.

Ahmad Yousef Areiqat, Tawfiq Abdelhadi, Hussien and Ahmad Al-Tarawneh (2010) opines that the process of recruiting talented employee requires the best practice of human resources management in business organization, based on a strategic issue. And this includes distinguishing between a recruiter and talent scout. Employee who got recruited must start to build himself and his own talents, when this happens they can develop posture to help themselves in performing their tasks. This is because the recruiter does not take the time to actually get to know a person or even ask them what they are interested in, or what their goals are, or what sort of talents they even have. All they want is the sign up. The thrill of sign up is a rush for them.

Reviews Related to Performance Management:

Michaels E, Handfield-Jones H and Axelrod B, (2001) have explained the importance of rewards and recognition in talent management practices. They pointed out “While it takes more than money to build a winning EVP (Employee Value Proposition), if employee don’t stay competitive with the market price for the best managerial talent, employee will have a hard time.” Just as pricing of services to customers constant attention and updating, the financial dimension of these employment package always going to provide a baseline for the brand. While reward is the major symbol of recognition, it is only one of them. Survey after survey reveals that recognition is one of the most critical factors in employee motivation. Feeling valued (particularly for the discretionary effort) is a critical

factor in employee engagement and recognition. Whether through prize giving or incentive schemes, or a general management tendency to offer praise for work well done, recognition is one of the simplest and most direct ways of demonstrating the people matter.

Rochelle Turoff Mucha(2004), opines that talent had become the driving force for business success. In both uncertain economic times as well as at the height of a boom, effective talent management is essential for achieving organizational excellence. It also mainly focused on aligning existing performance appraisal processes with the creation of potential identification processes. It also found that once an organization has assessed its future needs and roles, then it is ready to identify and match individuals to sweet spot. The sweet spot describes a model that positions the best person in the job for them

According to Swapnika C and Amitabh Kondwani,(2005) high performance organizations are built around elements such as innovations, values, purpose, leadership, and trust. However, the core element, which acts as a dynamo, is “people” where they bring best performance processes. Therefore, people management practices must be revamped and synthesized to form high performance work systems. High performance work systems are a management approach in achieving optimal “fit” among people, technology, work, and information-social and technical subsystems. In such a context, an organization’s HR needs to become the core change agent and take role of a leader in creating a high performance culture. Talent management practices which helps in attracting and retaining talent is the key for building high performance organizations.

Cindy McCauley and Michael Wakefield (2006) explained that talent management processes include workforce planning, talent gap analysis, recruiting, staffing, education and development, retention, talent reviews, succession planning and evaluation. It also found that to drive performance, deal with an increasingly

rapid pace of change, and create sustainable success, a company must integrate and align these processes with its business strategies. By assessing available talent and placing the right people in their best roles, organization can survive and thrive in today's increasingly competitive markets

Chartered Institute of Personnel and Development, CIPD (2008) has published a guide on Employer branding. According to the guide, Talent management is an investment that should and must demonstrate a return comparable to other forms of business investment. To prove a talent's effectiveness and demonstrate its ROI, organizations need to accurately measure their current performance in recruitment and retention. Engagement – and the financial value of engagement – can be accurately measured.

Gordon Barker(2009) had described that the increased importance of performance management is designed to ensure that the best people feel valued and the cost of underperformance is removed quickly from the business. It was found that the restrictions on the ability to buy in new talent mean that HR is being tasked with providing enhanced ways of identifying, developing and retaining high performers.

Patrica K. Zingheim, Jay R. Schuster & Marvin G.Dertien. (2009) provides an insight how the top executives of fast-growth companies have managed the transition from startup to sustained fast growth from the standpoint of talent-management strategies, practices and programs. The leadership challenge is to sustain business growth and success while stabilizing a workforce of high-performing key talent who possess the company's core competencies. To do this, organizations have chosen an integrated view of total compensation and total rewards, including training, development and career opportunities as their performance-based compensation approaches. By this approach organizations can retain high-performing key talent which provides a significant pay and rewards

and also making certain that pay and rewards keep up with an individual's value and accelerating career growth based on an individual's development and track record of solid contributions.

Sanne Lehmann (2009), had explored in his study that talent management had become a prioritized area, and IT and performance systems have been set up to support the advancement of talents. However, performance appraisals being the main mechanism to reward knowledge workers implies that the focus on financial achievements is forwarded into the motivational structure of firms promoting an environment of competition and control. Not much attention has been given to the underlying social and organizational aspects of human resource management embedded in work values related to a preference for personal relationships and hierarchical control. This lack of attention leads to a low level of successful implementation of new human resource management practices, and little return on investment in talents and performance systems. Most of the human resource managers are very aware that managerial and social practices influence the effect of new human resource management practices. However, they are not exactly clear about what kind of social capital they can tap into to better the results. Some researchers argue that Asian management practices are largely a constraint to growth in an age when business is globalizing and therefore ought to change in the direction of global best practices. There is a need for more context-sensitive empirical research that discusses how new human resource practices can be adapted to traditional work values – and vice versa – to produce a positive synergy.

Reviews Related to Organization Culture and Work Life Balance:

Barney (1986) confirms that a firm's culture does generate sustained competitive advantages if it has the required attributes. The required attributes include: (a) the culture must be valuable, (b) it must be rare, and (c) it must be

imperfectly imitable. The firm must be able to do things that enable it to add economic value while maintaining engagement and it must have a distinct culture that enables it to differentiate itself from competitors.

Schein (1990) opines that Organizational culture is another piece of the resource-based view. Simply hiring individual contributors is typically not acceptable in an organization that has a strategy of integration or requires teamwork. If employees are not engaged, the culture cannot be collaborative. Collaboration is a key component of a successful strategy and often it relates to an intangible asset, which is culture. Schein (1990) eloquently defines culture as (a) a pattern of basic assumptions, (b) invented, discovered, or developed by a given group, (c) as it learns to cope with its problems of external adaptation and internal integration, (d) that has worked well enough to be considered valid and, therefore (e) is to be taught to new members as the (f) correct way to perceive, think and fall in relation to those problems. This relates directly to resource-based strategy for what a group learns over a period of time as it solves its problems of survival in an external environment; and its problems of internal integration as it becomes a complex process to integrate and account for in totality. Culture can become ingrained and difficult to change but this is the function of HR/OD to enable the organization to move forward. The change agent is HR/OD. Many organizational programs fail because culture forces are ignored.

Barlett & Ghoshal (2002) explores with general products saying, the culture cannot be imitable if it is going to be sustainable. This research suggests that if firms can modify their cultures to improve not only financial results but also increase engagement and still maintain a culture that is imperfectly imitable, it will sustain superior performance. Here is where HR/OD can play a pivotal role in developing this type of sustainable culture. HR/OD must undertake the objective to help management develop an engaging, motivating and bonding culture necessary to attract and keep talented employees.

Heather A. Earle, (2003) examines the characteristics of the different generations that currently make up the workforce and discusses the expectation of employees from their employers and also from their work environments. It also delves into the role the workplace plays in recruitment and retention and the way in which it can be used to improve an organization's corporate identity. It then looks at what types of perks are actually valued most by employees, and explores how the physical environment can be aligned to help and shape a company's organizational culture and facilitate the communication, teamwork and creativity that are necessary to sustain a culture of continual innovation.

Mike Johnson (2004) says that work life balance is another important component of Talent Management. Through talent management, the organizations are beginning to address the negative effects of stress on many people's working lives. From an employer brand prospective, work life balance is fast becoming a highly significant component in becoming an "Employer of Choice". Mike Johnson in his book "The Rules of Engagement" says that Life first, works later. And this is what going to drive the new social contract between employer and employee".

Margeret Deery (2008) explains about the WLB issues in the turnover decision-making process. This paper also provides a theoretical and practical framework for industry to develop strategies for reduced employee turnover, with a focus on the role that balancing work and family plays in these strategies. It also focused on job attitudes such as job satisfaction and organizational commitment, personal attributes such as positive and negative affectivity, the role of WLB in employee turnover and, finally, the strategies provided to alleviate high turnover rates.

Katarina Katja Mihelic and Ksenija Plankar, in their paper of talent management had opined that employee's talents are the company's core

competitive advantage. However, this talent should not be taken “for granted”. Namely, only if proper talent management strategies are implemented the potential competitive advantage becomes real. Many companies strengthen their talent management strategies as they recognized that lack of their most precious employees might confine their future growth. Therefore, the most successful and admired companies offer great working conditions, climate and compensation packages. Even though employee retention is costly, talent departure and shortage puts companies in an even worse situation. Furthermore, talent retention issue becomes even more important when economy faces a temporary decline.

Reviews Related to Attracting, Developing and Retaining talented Employee:

Leary-Joyce J (2004) believes that building successful brand and achieving the enviable position of “Employer of Choice” within competitive staff recruitment market requires consistently delivering on the expectations set and promises made. Effective employer brand has to be built from within: this means ensuring that consistent and good practices at all stages in the recruitment and employment processes are deliverable and achievable. Still they are a major challenge for many 21st century organizations and within any sector. Employer brand building needs to be about substance, rather than rhetoric or spin.

Cheryl Farley(2005) opines that the demand of managing talent effectively are placing new emphasis on strategic requirements of the HR function. It also requires a shift in thinking and a new level of participation at executive level. Translating corporate goals into workforce needs, linking people to profit, and effectively managing talent are key to improving business performance

Pi Wen Looi, Ted Z Marusz and Raymond W Baumruk (2006) have conducted comprehensive study of best employers for Hewitt Associates. The survey was conducted in Canada, America, India and Europe in 2004. According

to them best employers know the secret of attracting and retaining top employees around the world. The report says that five characteristics of best employers are inspired leadership, unique company culture; focus on growing talent, strong sense of accountability, and aligned HR practices and excellent execution. The report also reveals that there is a link between best employer and sustainable business results. The research found that best employers consistently outperform the rest in revenue growth, profits, and total shareholder returns. They receive more unsolicited applications from potential employees, have higher employee retention rate, which translates into significant savings, higher productivity, and knowledge retention for the companies. They have passionate and engaged workforce that they will inevitably further the company's success.

Nancy R. Lock Wood (2006), in a report opines that in today's global economy, companies must continually invest in human capital. In the role of business partner, HR leaders work closely with senior management to attract, hire, develop and retain talent. Yet the skills shortage presents both socio-economic and cultural challenges as talent crosses borders. Thus, in view of workforce trends such as shifting demographics, global supply chains, the aging workforce and increasing global mobility, forward-looking organizations must rethink their approach to talent management to best harness talent. By doing so, they will be positively positioned to succeed in a highly competitive marketplace. In addition, organizational culture, employee engagement and leadership development have a significant impact on talent retention. Taking these factors into consideration, an integrated approach to talent management offers a pathway toward sustaining outstanding business results.

Nityanand Rao S, and Sharvani Bhavirishetty, (2008) carried out a research on attrition in IT sectors. They indicate that, employee attrition is due to retirement, death (known as natural attrition) and resignations. The phenomenal increase in resignations is giving rise to concerns among employers, who are

making efforts to trace the causes of resignations. Attrition in the Indian IT sector has been increasing. In this scenario, HR managers need to come up with new ideas to retain the employees.

Valerie Garrow and Wendy Hirsh (2008) have suggested that the two key dimensions that require careful consideration are those of “focus” and “fit”. “Focus” relies on a clear strategy for how talent management will contribute to organizational objectives, what parts of the organization and which job roles will be sourced. “Fit” ensures that talent management processes support the strategic objectives, resonate with but possibly also challenge the organizational culture, which has been taken into account the psychological contract between employer and employee and sit well with existing HR processes where we can adopt the efficient talent management practices.

Tom Baum (2008) explores the characteristics and analyzed talent management scenarios within which businesses can operate for developmental approach which focus on talent identification. It will be of value to practitioners in helping them to evaluate their recruitment, retention and development practices. It will also be of value to researchers in providing the basis for further study and reflection in this area.

Peter Cheese (2008) discussed the importance of talent management to strategic success and to identify the challenges in building talent power and to explore how to overcome those challenges. It asserts that an organization needs to put in place key processes in order to retain and actively multiply talent. They include: maintaining visible leadership that is focused on talent; encouraging and rewarding line managers for nurturing talent; and modernizing HR and training to identify, develop and deploy talent to the best effect. It had found that importance of talent management to strategic success, in order to identify the challenges in building talent power and to explore how to overcome those challenges.

Poornima S.C (2008), in her paper explores about the non-monetary compensation practices followed by the industry and the preferences shown by the technologists towards them. The study attempts to create a factor of influence that can be worked on the non-monetary compensation practices. It suggests some formulae that could serve as retention strategies to the IT sector while working on their non-monetary compensation practices. This is possible with an objective assessment or introspection of the performance so far and of vision of the road ahead. Such visions have to encompass not only the challenges of the industry but also the understanding of the people within the industry's for the attainment of the organizational goal.

Gaye Karacay-Aydin (2009) had analyzed the under-researched effects of mentoring on talent management among female employees and employees from less advantaged socioeconomic backgrounds. It examined the moderating effects of gender and socioeconomic background; and talent management highlights the positive outcomes of mentoring for women and employees from disadvantaged backgrounds. It also found how to use mentoring programs to attract, retain, motivate, and develop these talent pools. This is the first conceptual paper that ties mentoring applications with talent management programs for the identified employee groups.

Rainer Jansen(2009) describes that every company that wants to attract a sufficient number of talents with the right qualities, will increasingly need to provide far more flexible and “family friendly” work models than today. Even though this had been an issue over the last 20 years, the demographic pressure alone now urgently requires support mechanisms that bring more female talents into full-time employment and to provide them with realistic career perspectives. It is evident that tradition, legislation and financial resources can be obstacles to some major changes that are required – hence specific efforts need to be made to address attitudes and behaviours. While hierarchy by itself is neither good nor bad

but just a given in any human organization it has to create a culture in which hierarchy plays only a structural and descriptive role and it is not an impediment to communication and interaction. More than ever, management needs to adopt a mentoring and coaching role.

Maria Yapp (2009) had effectively assessed the return on investment (ROI) of their talent management initiatives which mainly explore on the money which the organization had spend on recruitment, development and succession management which had generated a benefit to the organization. The case study talked about how the business worked to identify leaders and future leaders from its existing talent pool and how this talent management initiative was measured, creating a clear benchmark from which to measure and review future talent investment. This paper focused on the key ROI trends and themes that occupy present-day HR professionals in the UK and outlined a number of practical approaches HR professionals can adopt to evaluate whether their investment in talent is delivered value of the business

Jeanne Harris, Elizabeth Craig and Henry Egan(2010) opined that a strategic approach to managing analytical talent have considered the needs of the entire enterprise. It was found that by building and aligning the four key talent management capabilities—defining needs, discovering new sources, developing capabilities and deploying effectively—organizations can maximize the strategic impact of their analytical talent and continually expand the organization's collective analytical capabilities. That is, they can build a talent-powered analytical organization

Peter Cheese (2010) opines that attracting and retaining the talent businesses need, will require renewed focus and energy on employee value propositions, with greater flexibility to attract increasingly diverse talent. Responsible and sustainable business is going to play an increasingly important

part in this, not just in terms of environment, but social and economic responsibility. Many more people will be making decisions about employers based on these characteristics than in the past. It also focused on the workforce challenges were the employees are facing, one of the key areas for investment must be for the managers at all levels in core leadership capabilities and the so called “softer” skills

Bob Little (2010), opines that, even though technology is playing a key part in bringing the changes in new trends and economic conditions, it can also come to an organization’s rescue – through investing in a talent management programme aimed not just at recruiting good employees but also retaining them and continually developing their skills and competencies in line with strategic business goals and performance objectives. In particular, these goals and objectives involve the principles of Lean. That is, organizations want to do more with less and make their existing workforce more productive. At the same time, they want to retain the skilled and productive workforce they have - and also ensure that they have the correct skills to support ever-changing business objectives.

Stephen A. Stumpf (2010), explained in the case study saying that talent management – the attraction, on boarding, development, retention, and re-deployment (or counseling out) of professional and managerial employees and optimization of individual and organizational performance. The case study also discusses about many talent management issues like how to attract, develop, and retain professional level talent. Secondary issues include the work climate and the questionable senior management support for task force recommendations. It also discussed about the quality talent management program is to ensure the organization can attract, develop, and retain the top talent necessary for sustainable success in the global market place – success with customers, employees and investors. This is done, in part, when the organization’s leaders are

able to meet their personal goals while directly and meaningfully contributing to the organization's goals.

Swati Agrawal(2010), opines that like business and industry, the education field is discovering the need for talent to meet the new quality standards demanded by the society and the next generation. This paper attempts to highlight some of the areas of concern for upcoming business schools. The objective is to investigate the issues related to talent management in business and technical schools which can contribute to the growth and development of these institutions. The paper is based on a survey of faculty members from various management schools. It was found that the study may be helpful in the identification of factors which lead to attaining an effective talent management system in these institutions.

Mark L.Frigo, John D.Rapp and Roy W.Templin(2011) opined that the benefits of transformation center on employee engagement and talent had made the system for attracting and retaining talent at all levels of the organization. It was found that Employee satisfaction with professional development opportunities increased from approximately 55% in 2006 to 85% in 2010. Retention of leadership development employees went from less than 25% in 2005 to greater than 85% in 2010

Santhoshkumar. R. and Rajasekar. N. (2012) opines that creativity and innovation, leadership, teamwork, interpersonal sensitivity, personal motivation, association and team spirit play an important role in influencing the talent in the organization. It was also found that there is no significant difference between the opinion of automobile industry and IT sector employees with regard to a set of factors which constitutes talent management practices. The study helps the company to retain the present talented workforce and stop them from quitting the organization. Critical talent has been defined and identified covering all staff-level

positions in line with company's requirements and capabilities in order to select perfect and highly skilled employees for the organization.

Reviews Related to Employee Engagement and Succession Planning:

According to Graeme Martin, Philip Beaumont, Rosalind Doig and Judy Pate, (2005) despite of weak links between the marketing and HR functions, there is growing realization by companies and by HR professional bodies such as CIPD (UK based Chartered Institute of Personnel and Development) and the US based Society of Human Resource Management (SHRM) that aligning the external Corporate image of organizations with internal employee identity or engagement provides a key opportunity for HR to earn greater voice in business. This is especially so given the importance to many international companies of global branding communications play in strategic decision making and such functional alignment can be viewed part of globalization process. Perhaps even more compelling, as organizations in most parts of the developed world have to compete more vigorously in the "War of talent", especially for increasingly rare and expensive knowledge workers, becoming an "employer of choice" in the market place to attract potential recruits and to retain existing talent. Becoming an employer of choice, developing an "employee value proposition" and establishing an employer brand are founded on a recognition and development of the valuable inner reservoirs of human capital-the knowledge and experience that flow through organizations, and relational capital in the form of culture and high levels of employee identification. The future role of HR in contributing towards sustaining long-term success of organizations lies in uncovering and maximizing these resources.

Davis and Stephenson (2006), explores scientific management will become a necessary tool to not only maintain a competitive edge but simply to stay in the game. It should come as no secret that people are the ultimate source of sustained

competitive advantage since traditional sources related to markets, financial capital and scale economies have been weakened by globalization. It also explores that if firms are going to compete in today's economy, they need to build employees who possess the right skills and capabilities. The best talent management decisions are made when leaders have a wealth of data on talent in the organization. To maintain and build talent requires that the employees be engaged.

Jyotsna Bhatnagar (2007) investigated talent management and its relationships to levels of employee engagement using a mixed method research design. The results were in the expected direction and fulfilled the research aims of the current study. In the first phase low factor loadings indicated low engagement scores at the beginning of the career and at completion of 16 months with the organization. High factor loadings at intermediate stages of employment were indicative of high engagement levels, but the interview data reflected that this may mean high loyalty, but only for a limited time. In the second phase factor loadings indicated three distinct factors of organizational culture, career planning along with incentives and organizational support. The first two were indicative of high attrition. The present study indicated that a good level of engagement may lead to high retention, but only for a limited time in the ITES sector. The need for a more rigorous employee engagement construct is indicated by the study.

Susan Cantrell and James M. Benton(2007), in their report had delivered that companies create a “talent multiplier” generate superior results from their workforces. This article emphasizes five human-capital activities that are strongly related to financial success, and explains the obstacles that frequently prevent them from being practiced. But even though managers have long recognized these practices as both successful and fundamental, many do not implement them. This report looks at the specific activities that constitute the practices strongly related to

financial success, and addresses why they are not more widespread. The five fundamental practices can be distilled into the following simple directives:

- * align people practices with business needs;
- * implement the practices with superior execution;
- * enlist line managers in human capital management;
- * make policies clear, fair, and consistent; and
- * create an information-sharing environment.

The power of these practices had brought great improvements in organizational performance, as many leading companies have discovered.

Angela Hills (2009) had identified what succession planning actually is and the pro's and con's of buying in, or building talent in the organization. It was found the, five key strategies are: aligning succession planning with business strategy, assessing leadership potential, involve the talent in the planning, mixing development: experience/coaching/training, and casting a wider network. It is of value to senior HR professionals and executive teams in companies concerned about effective succession planning and talent management.

Peter Capelli(2009), opines that Talent management is the process through which employers anticipate and meet their needs for human capital .Getting the right people with the right skills into the right jobs—a common definition of talent management—is the basic people-management challenge in any organization. While talent management often focuses on managerial and executive positions, the issues involved apply to all jobs that are difficult to fill. The new way of managing talent described here is fundamentally different from what has come before it, first because it takes as its starting point organizational goals and not human resource targets. Its purpose is to help the organization perform, and it does that by managing the talent risks that are generated by uncertainty in business demand and

the new, more open labor markets. The new approach to talent management may help to resuscitate the development of managerial talent, something that risks being choked off because employers cannot envision how to make it work in the current environment.

Qingxiong Weng, James C. McElroy (2010) in their study explain why talent tends to gravitate to industrial clusters (ICs) and how the human resources (HR) environment affects regional attraction and retention of talent. Regional attraction is an ability to attract and retain workers and immigrants. It also helps us to understand why talent clusters to ICs and offers theoretical support for how governments can make policies and programs to attract talent. The study also illustrates how the HR environment affects talent growth and examines the immediate role of talent growth in the relationship between HR environment and regional attraction

Richard Doherty (2010) discussed that a range of tactics to help ensure engagement, such as regular appraisals, use of social networking and the efficient recording of employee performance and interests, to best optimize the talent management process. This paper also demonstrates how best to engage employees from before a career even begins, right up until it ends. It offers guidance on using the latest techniques and technology to keep employees engaged and motivated. It also found that even if an employee moves to another company, the relationship with the previous organization act as a partners or customers. Employee engagement must therefore be an end-to-end practice and this paper will help show how to make that a reality.

Kenneth P. De Meuse, Kevin J. Mlodzik (2010) opined that that there are distinct and powerful differences between the generations, and that these differences necessitate differentiated talent management strategies. Consequently, HR professionals and talent management experts alike must understand what is

necessary to develop and retain Xers and Gen Ys, regardless of prominent differences or similarities. The managers and executives of tomorrow will come directly from these two generations of employees. HR professionals should assess their workforce planning and procedures to ensure proper succession strategies are now in place. Additionally, they need to prepare for the potential loss of critical knowledge held by these retiring industry veterans.

Reviews Related to Innovation and Competency:

Lado and Wilson (1994) assert that, "The resource-based view suggests that human resource systems can contribute to sustained competitive advantage through facilitating the developing of competencies that are firm specific, produce complex social relationships, are embedded in a firm's history and culture, and generate tacit organizational knowledge" Companies such as Marriott, Borg-Warner and Merck have attributed their competitive advantage to their unique methods for managing human resources. A human resource (HR) system is defined as a set of distinct but interrelated activities, functions and processes that are directed at attracting, developing, and maintaining (or disposing of) a firm's human resources. It is possible that HR systems could destroy or prevent competencies to be fully developed, thus it is essential to integrate the HR/OD processes into the strategy. OD contributes by developing the methodology for change to ensure the proper human resources are available at the right time. In order to achieve sustainable competitive advantage, continuous monitoring by the firm of competency patterns is vital as patterns continue to change over time.

John W Boudreau; Peter M Ramstad(2005) opined that decision framework that logically connect decisions about talent to strategic success had reflected a unique perspective based on human behavior and the principles of talent markets. This new paradigm based on talent ship, a decision science for talent resources, is

a significant opportunity for organizations to achieve sustained competitive success through one of their most important resources: the talent of their people.

Jon Ingham(2006), describes that real employers of choice will be totally focused on developing their talents full potential and will understand that the best development opportunities can sometimes be found elsewhere. At the appropriate point, employers should encourage those they've identified as talent to leave, in order to rejoin as even more valuable talent later on. Implementing this approach would fundamentally alter the talent career dynamic and make it absolutely clear which organizations were operating as true employers of choice.

Howard P.Stevens(2008), shared his view that, for a successful talent management in today's organizations, Six Sigma/ TQM approach act as a best talent audit research and an associated database which helped to minimize the threats and identifying right skills that distinguish top performers from poor performers. It also ensured the accurate job match to the right people, improve succession planning, provide high levels of job satisfaction, and correctly identify training needs.

Xin Chuai and David Preece, Paul Iles (2008) explored whether talent management (TM) practices are fundamentally different from traditional approaches to human resource management (HRM). It was found that Talent Management emerges as being different from traditional HRM, incorporating new knowledge rather than being a simple repackaging of old techniques and ideas with new labels. Therefore, Talent management should not be seen simply as “old wine in new bottles”. In addition, this study challenges the idea that TM is yet another struggle by HR professionals to enhance their legitimacy, status and credibility within their organizations

Peter Lacy, James Arnott and Eric Lowitt (2009) have aimed to address the importance of a framework for developing employees' sustainability knowledge, skills, and behaviors. In the framework they found that sustainability imperative is reshaping the business landscape – and will continue to do so. To become high performers in this landscape, companies must constantly come up with new ways to demonstrate environmental and social responsibility – driving innovation in business processes, management practices and products and services. But even the best ideas for supporting sustainability will fall flat unless a company's workforce can put them into action, which calls for focused investments in talent. Firms must invest in helping employees acquire and build the knowledge, skills and attitudes required to carry out sustainability-related initiatives and generate additional fresh ideas. And they must tap into employees' desire to make a positive difference in their organizations, communities and the world

Arie Y Lewin, Silvia Massini and Carine Peeters (2009) have studied the determinants of decision by companies to offshore innovation activities. It used the survey data from the international Offshoring Research Network project to estimate the impact of managerial intentionality, past experience, and environmental factors on the probability of offshoring innovation projects. The results shown that the emerging shortage of highly skilled science and engineering talent more generally need to access qualified personnel are important explanatory factors for off shoring innovation decisions. Moreover, contrary to drivers of many other functions, labor arbitrage is less important than other forms of cost savings.

Rakesh Sharma and Jyotsna Bhatnagar (2009) had discussed in their paper how to build a talent management strategy based on competency profiling which became a critical impact area within the field of strategic HRM. The case study discussed about how the talent mindset had helped the organisation in recruiting the best talent from the best pharmaceutical organizations. The attrition of the top and valued talent segment had come down. Some of the key positions have been

filled through succession planning. This paper discussed about an insights to HR practitioners on how to attract, acquire and manage talent in a tight internal and external labor market. It also provided empirical support for, and theoretical understanding of, the strategic HRM literature on talent management theme.

Michael D.Ward (2009) opines that the purpose of this paper is to help organizations to improve the overall effectiveness and utilization of talent management systems, including analysis of the evolution of technology and predictions regarding the next generation of systems, based on trends and organizational needs. It was found that organizations still struggle with achieving a high success rate when implementing such systems. Utilization and effectiveness is directly linked to the overall solution, including content and services, as well as the technology.

Jane Helsing(2009), in his report of strategic account management association opines that there are many ways to enhance their talent management approach, if the employees worked closely with their HR organization. It also explains that companies that focus on talent management practices and employee development can provide a broad range of services that include developing competency models, analyzing performance to identify the differentiating competencies, assessing individuals for their readiness vis-à-vis the competency model and other success factors, and developing individuals in critical skill sets.

Farah Naqvi (2009) explored that the current focus on the linkage between talent and an organization's business challenges and strategies, effective strategy execution requires sufficient number of right people with right skills and knowledge in the right roles. The situation, where employees are demanding companies to be proactive with respect to their careers, requires that the companies should fine-tune their HR system, making it more competency-based,

thereby resolving some major issues of talent management like development and retention of human asset.

Claire McCartney (2010) explores how talent management strategies are being affected by the current uncertain economic backdrop and how important talent management is to organizations when things get tough. It mainly focuses on the positive measures that organizations can take in response to the economic challenges. It also focused on wider business processes and change efforts, innovative talent practices, seize the opportunity to increase employee profile and brand, where beneficial, acquire talent from other organizations, keep talent warm for the future, increase employee focus on talent performance, engagement and retention.

Sharna Wiblen, David Grant and Kristine Dery (2010) in their study had adopted a social constructivist perspective and approach that has enabled us to gain a greater understanding of the relationship between talent management and technology. By examining the processes associated with transitioning to a new HRIS, have explored how one organizations understand the talent and approaches to talent management were shaped and how they were informed by the implementation of new technology. It had resulted that organizations understanding of talent is socially constructed. Furthermore, they remind us that the management of talent is designed to assist the organisation in meeting its business objectives and that as a result of the constant changes and adjustments that are made to these objectives, the way that an organisation understands talent, along with its approach to talent management, is always subject to change. HRIS encouraged the organisation to re-evaluate the skills and capabilities that they required and contributed to the formulation of business strategy. Changes in technology will also have consequences for talent management policies, processes and activities. The influence of transitioning technology on talent and talent

management is an area that currently lacks extensive consideration by academics and practitioners.

Howard Morgan and David Jardin(2010), in their article focused more on the actual work, rather than who should deliver it. The fact which is responsible for the different elements of talent management varies from organization to organization which focused more on HR and OD domains. It had explored the opportunities for HR and OD to collaborate and use their valuable interdependencies and complimentary skill sets, knowledge, and roles to leverage their unique purview of the whole organization and have impact at the whole system level. It also proposed a conceptual yet practical model of integrated talent management that helps HR, OD, and others work together more effectively and realize synergies created by their complementary strengths and capabilities.

Judith Germain(2010), had developed a leadership model in which he represents the premise that establishing and leveraging reputation is a key to leadership characteristics (Determination, Influence, Versatility and Expertise) which affect and are affected by it. It also describes that leadership as ‘trusted influence’ and the key to real leadership will achieve the organization’s goals in a way that is transparent and has integrity. Reputation and credibility are essential traits for leadership.

Reviews Related to Training and Development:

Connie Zheng (2009) opined that there are statistically significant linkages between HR practices, talent retention and firm performance. In particular, various skill training and development programs are seen to be significantly associated with capacity to deliver quality service and on firms growth as perceived by managers surveyed. Informal recruitment methods had contributed to better retention rates. Not all formalised HR practices lead to talent retention; and the

degree to which HR is perceived to have impacted on firm performance varies. It shows how important it is for service firms to focus on strategic selection of both formal and informal HR practices in order to deliver high quality service and to drive service firm growth.

Eoin Whelan, David G. Collings and Brian Donnellan(2009) had found that it is now rare for a single individual to possess all the talents necessary to effectively acquire and disseminate external knowledge. Owing to the prevalence of information and communication technologies, a small number of uniquely skilled individuals specialize in acquiring valuable external knowledge, while an altogether different set of individuals specialize in disseminating that knowledge internally.

Michael D. Ensley, James W. Carland, Rhonda L. Ensley, JoAnn C. Carland (2010) opined that development and validation of the Executive Smart Talent Management System which had the ability to determine leadership roles in organizations, and provide a fit for that role through the assessment of applicants. The ability to determine who is best fitted for an organization and those who must be eliminated for the benefit of the organization is in and of itself an exceptional tool; however, this system can be utilized for the training and development of those personnel already entrenched in an organization

Reviews Related to Commitment and Leadership:

Grossman (2007) opines that as change continuously occurs in sustaining companies, the talent management strategy act as an integral component of driving continuous transition in the company. As complexity and change drive organizations, managing talent will need to move from an art to a science. In order to manage talent, organization should have a strong leadership quality to execute and implement the talent management strategy. Today's business leaders are

looking for decision-making techniques to help run their organizations and to engage the population.

Annie M. Oehley and Callie C. Theron(2010) described that there is a need to empower the Human Resource function to rationally and purposefully monitor and manage the determinants of turnover intention, and through that, the intention to quit of talented employees. A partial talent management structural model was developed, mapping line-manager talent management competencies on the outcomes of job satisfaction, affective commitment and intention to quit. It also explores the unique insight into the manner in which the talent management competencies are causally related among themselves, and provides affective commitment as well as job satisfaction.

Larry Hartmann (2010) explained that maintaining, preserving, and maximizing funding capacity had become the number one priority and focus for many of the industries. This meant tough decisions, cost cuts and a focus on asset quality like never before. Today, capital to fund the business is the most important asset, but in the coming years, this will not continue to be a sustainable competitive advantage. This will put the focus back on leadership and the people who execute dreams and visions in forward thinking companies. It will be in this environment that people will, once again, be the most important asset for differentiating the winners from the losers. Great leaders read a market and look for opportunity. The winners of the decade ahead will likely be those companies and leaders that look at the talent conundrum that exists today and develop a roadmap to retain their key people while taking advantage of the short-term window of opportunity to attract new talent.

Pallavi Srivatava and Jyotsna Bhatnagar (2010) had addressed the concerns associated with talent acquisition and how employer brand can overcome some of them. As "practical implications," practitioners in the World of HR, marketing and

communications will find this research of immense importance as it will help define the prospective employee expectations and would help the industry in the global arena to build their human capital strategies of staffing to suit the changing needs of the employable talent pool. By building a strong employer brand an organisation can easily come into the consideration set of prospective employees especially the first time job seekers. Resourcing the best candidates from a bigger talent pool rather than the available applicants would result in a more efficient talent acquisition. It also provided the important cues for designing HR policies and HR / OD interventions on embedding fun at work in day to day environment of the work. This would also present implications making an organisation as "Great Place to Work" with.

Garrett Ogden (2010), in his health care financial management journal opines that talent management had a significant impact on the most critical operational issues that healthcare organizations face today: patient safety, timely access to care, and cost control. Leadership development had empowered an organization to achieve its quality and cost objectives, despite of its limited resources and increasing demands. Commitment to leadership and system wide teamwork provided the base for building new strategies and successful initiatives. By applying streamlined processes and labor management, healthcare leaders can improve workflow, increase patient flow, access and build patient satisfaction, and attract and retain top talent—all of which contribute to an improved bottom line.

Leanne Markus(2010), explores that Successful talent management requires not only an integrated model but also an integrated set of meaningful information. Most organizations capture some of this information. However much is subjective and lacking in depth. Much resides in forms and documents and cannot be extracted easily. So what is needed? Not just an electronic version of paper systems, not a Human Resources Information Repository, but a smart and flexible

tool set that supports the theoretical base of talent management, and in so doing captures quality data. Such a system:

- Helps operational staff create outcome based job descriptions with clarity, and update them as needed. Tracks individual progress against expectations, records achievements, performance issues and coaching conversations.
- Helps translate the organizations balanced scorecard through departments and teams to the individual level, monitor achievement and any issues.
- Supports Human Resource specialists in establishing a relevant Capability framework with which to capture and search on individual qualifications, certifications, training, experience, skills and knowledge, identify gaps, match individuals to job roles.
- Provides a Competency Management system for the definition, update and assessment of core and technical competencies with clear standards, information on competency gaps and trends.
- provides a flexible platform for performance appraisal and a tool to assist managers and HR in annual compensation decisions.
- supports the planning of training programmes and resources to address identified competency gaps. Helps staff and managers define and track individual development plans, costs, progress and training effectiveness.
- provides a means for defining and managing talent pools for leadership roles, specialist and technical career pathways, as well as succession planning for critical positions.

2.3 Summary:

In the above review of literature most of the studies have identified that talent management becomes an important tool of attracting and retaining talent for business organizations. As human resource and skill becomes scarce, Talent

management becomes a critical source of competitive in a labor markets. As the labor market shifts from supply-surplus situation to a demand surplus situation, talent management becomes more and more important. There is a marked difference between recruiting daily unskilled labor and recruiting professionals who are perceived to add value. As an organization turns more knowledge intensive, more emphasis will be placed on talent management practices, since retention leads to higher productivity. Employee perceptions about issues such as work-life balance, compensation, rewards and recognition, opportunities for career improvement, challenge in jobs become the core talent management exercises. It is evident from the reviews presented above that attempts are being made to examine the intricacies of Talent Management Practices in various IT sectors. However, reviews reveal that no effort has been made to analyze the Talent Management Practices in IT industry and how the impact of Talent management practices influenced the IT company employees and HR manager for organizational productivity. Therefore present study focuses on the importance of the impact of Talent management practices in the area of IT sector of Bengaluru, India and which also aims at developing a model in Talent management practices.