



MANAGING TALENT INTELLIGENCE FOR BUSINESS SUCCESS

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Abstract

The environment for most organisations today is global, complex, dynamic, highly competitive, and extremely volatile. In addition to these external conditions, most organisations are also facing several global challenges including those related to talent flow and a shortage of needed competencies. One major result of these challenges is that they have to be global and be systematic in managing their human capital if they wish to gain and sustain a competitive advantage in the years ahead. In today's knowledge economy, up to 70 percent of an organisation's value is based upon the skills and experiences of its employees. Yet for most businesses, there is simply no visibility into how well the company's biggest asset is being managed. In fact, LinkedIn and Facebook probably offer more information about a company's talent assets than their HR technology systems have today. Without a unified approach to talent data, real intelligence on a company's HR is not immediately available to generate key insights for decisions making. This empirical article helps us understand the value companies place on talent information and whether HR and Line executives have access to reliable talent data to understand the levers that help them drive business results.

Keywords: *Talent Intelligence, Globalisation, Talent Data, Reliability.*

Introduction

The environment for most organisations today is global, complex, dynamic, highly competitive, and extremely volatile. In addition to these external conditions, most organisations are also facing several global challenges including those related to talent flow and a shortage of needed competencies. One major result of these challenges is that organisations have to be global and be systematic in managing their human capital if they wish to gain and sustain a competitive advantage in the years ahead.

In today's knowledge economy, up to 70 percent of an organisation's value is based upon the skills and experiences of its employees. Yet for most businesses, there is simply no visibility into how well the company's biggest asset is being managed. In fact, LinkedIn and Facebook probably offer more information about a company's talent assets than their HR technology systems have today. Without a unified approach to talent data, real intelligence on an organisation's HR is not immediately available to generate key insights for decisions making.

Background of the Study

Most companies have become really good at measuring, tracking, and optimising their investments in their physical assets and materials with significant investments in ERP, Supply Chain, and CRM software. As a result, they have concrete information about hardware inventories and other assets. They know how much they cost, their maintenance history, utilisation, and inventory turns. Yet, they know very little about people, their skills, past experience, potential, and career interests - a true talent intelligence gap.

Research has proved that over 85% of companies struggle to link their talent management strategies to their business objectives. The significant cost of the talent intelligence gap directly impacts the bottom-line. A Corporate Executive Board study found that 25% of high potential employees are planning on leaving their job within the next year and 21% of all employees rated themselves as highly disengaged. Many executives agree about this talent intelligence gap and cite four major reasons for it which include information about people assets is "stuck" inside workforce data silos, business processes often leave out data about people assets, there is a lack of powerful analytics to turn that data into information and insight and there is a lack of good decision support systems to act on that intelligence. An effective talent management solution should synthesise and rationalise data from disparate workforce data silos and perform analytics on that data to turn it into intelligence and finally provide decision support to help users act on that intelligence.

There are some key factors driving the increased importance of having talent insights for business leaders. Firstly, there have been growing pressures for companies to move towards globalisation. Most global companies have difficulty keeping track of their employees' names and addresses, never mind having access to employee/talent data to gain key insights into their talent across a global workforce. Secondly, a tight labour market requires a system with the ability to mine the talent database to find the right talent and skills. Thirdly, the aging workforce is driving the need to measure the effects of a Baby Boomer brain drain and the risk of not filling critical positions within the company using succession planning. Last but not the least, the inability to formally identify, develop, and retain the leaders of tomorrow.



There are also some key factors driving the importance of talent intelligence to HR leaders. As they are the historical owners of the people/talent issues, there is increased pressure from the business to justify investments in all projects/tools including investment in talent management initiatives. They need the data to provide these justifications. HR leaders want to add value to the business. For years HR has wanted to gain recognition at board level but lacked the systems to show how comprehensive people strategies could improve business performance. HR professionals have also wanted a seat at the executive table but they lack the insights and metrics to help them get there.

Literature Review

A number of studies have been conducted in developed and developing countries related to subject interest under study. In this section, brief review of available relevant literature on the subject matter under study has been provided with a specific aim of providing research gap and future research directions. This section deals with a thorough review of the year wise study of previous relevant studies related with the talent intelligence management.

After critically reviewing the concept of talent intelligence management and problems regarding definition of talent management findings revealed that there is deficiency of clarity regarding the meaning, scope and inclusive goals of talent management. Researcher suggested that by exercising talent management in strategic framework researcher can markedly develop the quality of talent conservation in organization. The concept of talent management and its relationship with employee engagement is studied. Present study followed by focus group interviews and exit interviews, found that engagement is low at the beginning of the career till completion of 16 month with organizations. Level of engagement is high at intermediate stages of the employment only for a limited period of time. Findings suggested that organizations can enhance their employee engagement level by developing more demanding employee engagement construct.

The importance of talent intelligence management for strategic success and building talent power organizations was discussed and it was identified that the challenges regarding talent power and the way to overcome these challenges. Literature explained the importance of talent towards organization's performance and talent retention. Findings revealed that organizations needs to maintain talent focused leadership, nurturing talent through encouragement and rewards. Further developing HR to effectively identify, develop and deploy talent in organizations'

Further the area of talent management, employee engagement and pipeline development was explored with the help of case study followed by interviews and primary data as provided by the organization it was found that talent pools are established and talent identification is done through talent matrix. Rotational assignments in the different markets help in grooming future leaders for organizations.

The talent management strategy based on competency outlining which is based on attracting, developing and retaining the key talent in pharmaceutical organizations was studied and it was revealed that the talent management has helped the organization in employing and retaining the best talent from the pharmaceutical organizations. The attrition rate of talent section has come down and key positions have been occupied through succession planning. It was purposed that talent management is a critical success factor for organizations in today's competitive business world. In order to attain higher market share, real estate organizations are now realizing the value of attracting and retaining the talented employee.

The concept of the talent management innovations, practices and processes were examined in Bharti Airtel. Present study is followed by surveys and in-depth interviews with executives regarding employees' perceptions towards organization's talent management and it was found that effective talent management enhances employee engagement with less attrition and proportionately increases of employees. The talent management approach and practices have contributed in development and growth of employees and helped the organization to improve retention³⁰. The influence of talent management on the performance of an organization was studied followed by focus groups and in-depth interviews and it was found that organizations can improve their bottom-line performance through a comprehensive approach to talent management. Talent segmentation helps an organization to choose the talented people and to understand the expectations of talented individuals from their organization.

The Survey

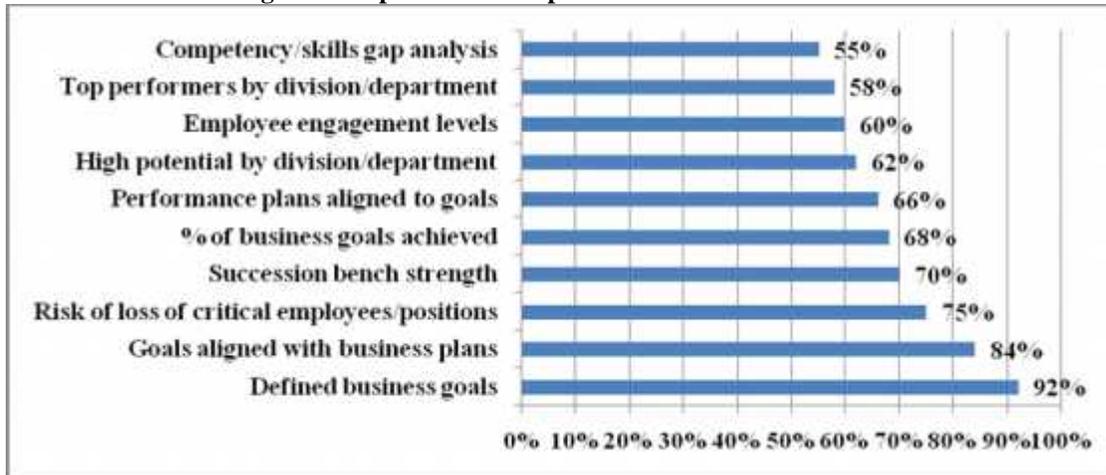
The survey was designed to understand the value companies place on talent information and whether HR and Line executives belonging to the top management level have access to reliable talent management data to understand the levers that drive business results. The total sample size for the research was limited to 124. There were almost an equal number of HR and Line executive respondents to the survey.

The survey tool focused on seven key categories of talent analytics which help to drive business performance such as business strategy, leadership bench strength, top performer retention, top talent attraction, employee development, workforce metrics and workforce costs.

The survey asked the respondents to rate the level of importance on a 5 point Likert Scale and the access to and the reliability of the data for 29 talent management analytics in the above mentioned seven categories. Figure No.1 lists the top ten most important talent data elements.

Top Ten Most Important Talent Data Elements

Figure 1: Top Ten Most Important Talent Data Elements

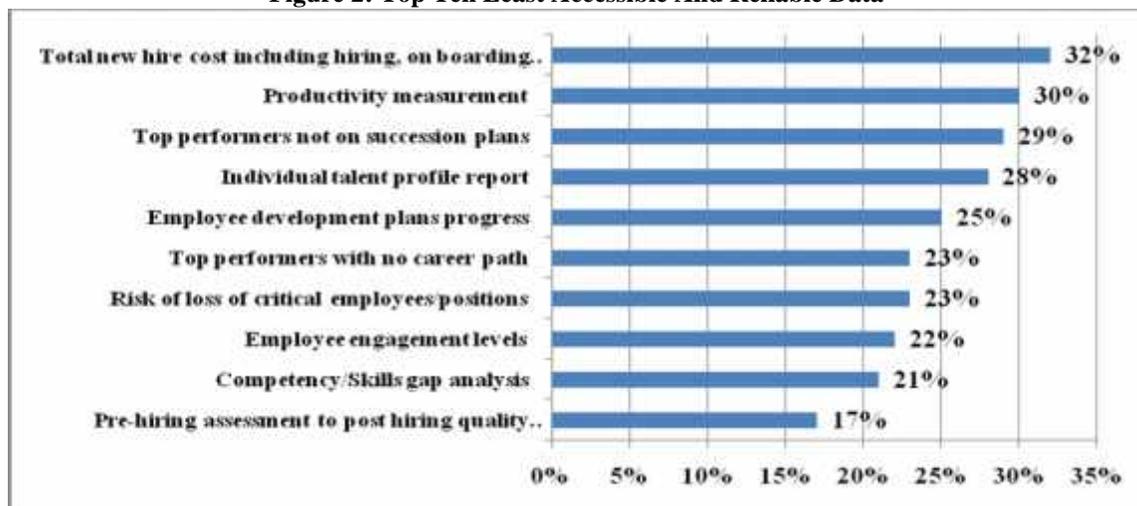


The above figure shows that the most important talent data element is having well defined business goals (90%), followed by HR goals being aligned with business plans (84%) and risk of loss of critical employees/position (75%) and succession bench strength (70%).

Top Ten Least Accessible and Reliable Data

Figure 2 given below lists the top ten least accessible and reliable data.

Figure 2: Top Ten Least Accessible And Reliable Data



The above figure shows that the least accessible and reliable data are employee engagement levels (22%), competency/skill gap analysis (21%) and pre-hiring assessment to post hiring quality(17%).



HR and Line Alignment

The research has shown that not having the right data to measure the effectiveness of talent management strategies on the business is not due to misalignment between HR and Line executives. With few exceptions, HR and Line leaders are in agreement on which talent analytics are important. However, neither group has consistent access to the data they need.

Challenges in Delivering Talent Intelligence

Knowledge infusion defines talent intelligence as “Managing workforce data in the context of other business information and using it to drive decisions.” In the past, visibility into valuable talent data has been hampered by:

1. There is widespread use of spreadsheets to manage talent and data. However, while this financial tool is useful for HR in the short term and for one-time tasks undertaken by one person or a small group, our research shows that its use can significantly hinder performance for larger groups or repetitive tasks.
2. Companies spend time in measuring the wrong things. Although most companies measure time to hire, only 17% have access to reliable data on the quality of hire
3. Talent data kept in silos much like business intelligence (BI) systems becomes another major obstacle in gathering talent data for analysis.
4. The insights gained from talent data are only as good as the timeliness and accessibility to the data. Talent data must be self-generating/self-refreshed.

Conclusion

In summary this research has shown that there are significant gaps between the level of importance organisations place on talent management data and their access to reliable information. HR and Line executives are not receiving access to talent management data that ensures they have the right talent to meet the ever changing business challenges. Although HR leaders need additional information for regulatory and compliance purposes, HR and Line leaders are aligned in ranking the level of importance they place on talent management information which helps them to drive business.

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