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TALENT MANAGEMENT: A SOURCE OF SUSTAINABLE COMPETITIVE ADVANTAGE

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Abstract: *Talent has emerged as a strategic priority for companies amid global disruption. It is the new currency across businesses and a source of competitive advantage. It is difficult to find an organisation which has not experienced the power of people and their power to transform average to good and good to great. Equally rare are the organisations which develop and use this power to a significant extent. Generally, human beings are blessed with unique potential; some with aptitude, others with attitude, some with knowledge and skill, others with creativity, innovation or perseverance, etc. The detection and extraction of these raw strengths and their refinement into abilities valuable for the organisation needs a reliable process. In the absence of such a process, much of the gold may remain buried.*

This article is about the art of mining the gold of talent – detection, extraction, and purification. It is also about the skill of melting and moulding talent so that elegant objects, such as customer delight, can be cast; as the outcome of a reliable process, not as a matter of chance. The article introduces two key concepts: i) hallmark development (detection, extraction, and purification) and ii) talent fusion (melting and moulding). The former is about ‘promising people’ looking deep within to search for their natural best, working on it and developing it to the fullest; refining and fine tuning those qualities, so that organisations recognize their worth and find them attractive. The individual is the doer, the organisation an enabler. The latter is about the enthusiastic merger or exchange of capabilities, so developed, in the pursuit of accomplishing worthy goals for the organisation, collectively.

Keywords: *Talent Management, Hall mark Development, sustainability, Talent Culture, Synergy Culture.*

Introduction

PEOPLE are central to the scheme of the organisation. They are a key resource, which control other resources. People have immense capability. We all are familiar with the amazing difference the people – scientists, engineers, project managers, doctors, leaders, and philosophers – have made to this world. They have even figured out the way to the moon and beyond. Organisations have had amazing experiences with their talented people responsible for causing projects, products, processes, technology, etc., once thought as ‘beyond reach’. Many of these people came from modest backgrounds.

Organisations face challenges regarding talent limitations more than capital limitations and soon discover that talent need not remain a matter of chance; a process can be devised to yield talent. Also, talent can be utilised in a planned manner to achieve organisational goals. Hence, the subject of talent management.

Despite these facts being commonly known, it is observed that leaders/ managers rarely engage with the subject with the intensity it deserves. It is not uncommon to find that many at the helm prefer to engage with passive resources, such as, finance, technology, material, infrastructure, etc., rather than choosing to involve with the people - the active resource - who in turn can manage the passive resources. One of the obvious reasons is that passive resources do not question intervention and do not argue. They permit outcomes of intervention in a deterministic manner. An intelligent intervention can produce good results. It is convenient and certain. On the other hand, people as a resource have the unique capability of adjusting their direction and quantum of contribution. They do not accept intervention in a passive manner. They question, argue, agree or disagree. Success with people needs deep involvement and the application of many faculties. It is a tedious process. However, once people are understood, their doubts cleared, questions answered and trust established, the outcome can be phenomenal.

An organisational culture which is sound on the basics – values, transparency, integrity, respect, and cooperation, etc. - provides answers to most of the issues raised by people. The remaining issues then seem to be within manageable limits. Thus, with the help of processes that facilitate talent generation and that of appropriate culture, a lot can be achieved by the organisation on a sustainable basis.

Talent Management

The subject of talent management uses a few terminologies. Their precise understanding will facilitate a clear and comprehensive treatment of the subject.

i. Aptitude

It is our natural ability to acquire knowledge or skill. It is a natural propensity – an inclination or tendency to acquire knowledge or skill in a chosen field.

ii. Talent

Talent is an aptitude realized- a desire converted to delightful reality. It is our natural strength ready for deployment. A talent may include more than one aptitude.

iii. Competence

It refers to a person's ability to learn and perform a particular activity. Competence consists of knowledge, experience, skill, aptitude, and attitude components (Westcott, 2013).

iv. Integrity

It is the congruence of thought, words, and actions. When we say what we think and do what we say, we maintain our integrity. Honesty is a subset of integrity. Honesty is truthfulness. When your words conform to reality, you are honest. When your deeds conform to your words, you have integrity (Covey, 1990).

v. Trust

Trust is a firm belief or confidence in the integrity, character, ability, sincerity, and sense of

justice of someone (leader, manager, etc.) or something (management, institution, organisation, etc.). Trust is a bond that develops between the leader and his followers. It gets strengthened when consistent behaviour based on natural principles, and transparent communication, are witnessed in the leader.

The word talent also refers to ‘talented people’. Talented people are proficient in their specific area of talent. They can accomplish results effortlessly. As all results are necessarily caused by the processes, talented people have grip or mastery over the relevant process. Mastery over the process gets facilitated by the aptitude available. However, those who do not have aptitude (i.e. natural ability) can follow the route of attitude, the attitude of hard work and practice to master the process. Michelangelo once said, “If people knew how hard I had to work to gain my mastery, it wouldn’t seem wonderful at all” (As cited in Khera, 2012).

Therefore, talented people come from both the routes. Talent consists of those individuals who can make a difference to the organisational performance either through their immediate contribution or in longer term by demonstrating a high level of potential (Annakis & Esposto, 2016).

Talent management is a process of ensuring that talented people are attracted, retained, motivated, and developed in line with the needs of the organisation. (Armstrong, 2010). It has seven components: strategic employee planning, talent acquisition, performance management, learning and motivating, compensation, career development and succession planning (Padoshi, 2018). Most organisations have these HR processes well in place, as part of the overall competency management function. However, for talent management, focus, sensitivity and intensity are readjusted.

At the heart of talent management lie three questions:

- i. What is our strategic goal?
- ii. Who all will take us there?
- iii. Are we equipping them well for the role?

HR processes must provide precise and convincing answers to these questions.

Effective Strategy : Route Less Explored

As controlling agents, people can alter the levels of all other resources. They can make ordinary things, great; great things, ordinary. This transforming power of people makes them strategic in nature. Talent management is about leveraging this aspect. Though the precedence of people over all other organisational resources is very well known, leaders rarely engage with the subject with the required depth and passion. The main reason is that people have control over their contribution. Their contributions can either be immense or limited. Organisations need to establish a strong culture, practices, systems, procedures, and work environment, before people are inspired to contribute immensely, cooperate unconditionally, and synergise liberally. It is a tall order but then talent management is no less serious a subject. Talented people are highly sensitive, confident, proud of their talent and have their conviction about their approach. Organisations should add fairness, transparency, empowerment, purpose, wisdom, modesty, integrity, and above all, the

personal joy of contributing for a greater cause. Only then can talented people be deemed as reliable, deeply engaged, worthy people who will take organisations to greater heights.

Many strategies are used in the name of talent management - competency development, leadership development, innovation and creativity, EQ development, coaching, mentoring, feedback, challenging, etc. They are all useful but are perhaps akin to spraying more water on leaves than nurturing the roots. Let us then focus on the roots. Two issues are central to a good talent strategy: i) availability of talent in abundance, ii) willing fusion of talents to provide solution. The concept of 'hallmark development' is an answer to the first issue and 'culture of synergy' to the second.

Talent can be generated internally or acquired from the outside. Internally generated talent has reliability and predictability in terms of synergistic use as the individual's past record reveals the truth about their tendencies. Sourcing of talent from the outside is always associated with uncertainty about the attitude of person in the long run. Such sourcing falls in the category of 'Special Process' wherein defects in products are not measurable upon completion of the process but are revealed in the long run when put to use under field conditions (ISO, 1994).

The attitude of a talented person is of paramount importance. Talent makes sense only when combined with attitude, since organisational goals have multiple dimensions. Talent alone may have some utility at an operational level, but at a strategic level, it has little utility. In fact, it may even become a liability. Therefore, effective strategy deals with both aspects – talent generation and talent fusion. Hallmark development is a process that yields talent in abundance. Development of synergy culture, on the other hand, is a process which will secure fusion of talents.

A. **Hallmark Development**

The concept provides an opportunity for all the promising employees to develop a distinct level of competence in their chosen field with business relevance. The idea is to develop distinct capabilities in a large number of people in the field they have chosen. These are the people who become lighthouses among buildings. People choose their domain based on their aptitude and interest, therefore, development is fast, rooted, and sustainable. Since the domain is of their own choice, their involvement is high, with the organisation playing a supportive and facilitating role.

Three major benefits emerge out of this approach:

- i. People can develop expertise in a domain of their choice
- ii. Once people learn how to achieve excellence in one field, they can use the same techniques for building other aspects of their personality, leading to overall excellence. As Vince Lombardi once said, "The quality of a person's life is in direct proportion to their commitment to excellence, regardless of their chosen field of endeavour" (as cited in Khera, 2012).
- iii. Such people naturally earn respect, appreciation and validation, leading to self-satisfaction and higher self-esteem. This pushes them towards self-actualization and makes them more mature. They understand the contribution of others in their achievement and are willing to contribute in return. A cycle of synergy sets-in.

B. Synergy Culture

Synergy culture is the most important component of talent culture. It facilitates fusion of talent. The design of synergy culture includes: i) Measuring the contribution of others in one's success, and the practice of acknowledging it, ii) according higher weightage for collective achievement, iii) developing a roadmap for achieving organisational goals where interdependence is envisaged by design. Synergy requires belief in the natural 'Law of Giving', which states that when you give liberally, you get liberally (Chakraborty & Chakraborty, 2014).

Talent culture

Talent culture is embedded in the overall organisational culture, where the dominant components of culture are supportive of talent management. Talent culture, can grow out of organisational culture which is sound on basics. A culture which is cluttered, confusing, contradictory, manipulative, opportunistic, and devoid of basic human values is not the place for talent culture. An organisational environment which supports and respects learning, skill development, experimentation, knowledge sharing, learning from failures, mutual cooperation, mutual appreciation, and collective achievement and its celebration is the right place to cause talent culture. Talented people are a slightly different lot. They need the freedom of learning, experimentation and expression. Attention, recognition, and validation are their natural expectations. They should get the opportunity to contribute in important projects. When an organization fulfills these requirements, talented people seem to switch to a regenerative mode, where their levels of engagement increase. Soon, they are in resonance with their role, contributing their best. A few of them transcend the lower limits fast and rise to the self-actualization level. Such people can be termed as the real assets.

Case Study

The present case study is based on the talent management practices in a Navaratna PSU, Bharat Electronics Limited-BGCX, the winner of the CII-EXIM Business Excellence Award, Year 2018.

The organization, an Indian defence PSU, widely respected for its technological, manufacturing, and project management capabilities, uses two concepts – hallmark development and talent fusion – as a part of their talent management strategy. The organisation's flagship programme in competency development – Building World Class Managers – provides the organisational framework for both the concepts. Many remarkable accomplishments of the company, e.g. the supply of over one million EVMs in one year, a large number of Central Acquisition Radars, Coastal Surveillance Systems, Strategic Defence Products, entering the medical electronics market by providing ventilators during the COVID Pandemic, were substantially facilitated by these concepts, wherein several SBUs, Units, Functions and Labs of the company customized their competence and fused it seamlessly to accomplish these herculean tasks which were beyond comprehension at the beginning.

These concepts were validated many times by external industry experts, who assessed the company on business excellence. BEL Bangalore was declared a Role Model and an Award winner by the Jury of the CII-Exim Bank Business Excellence Award in the year 2018.)

Talent Culture : A Source Of Sustainable Competitive Advantage

An organisation where people are passionate about developing their talents to a hallmark level beyond the benchmarks, and where people are skilled and excited to combine their talents so seamlessly as if it were one person with many talents, is all set to scale greater heights in a competitive environment.

The organisation's competitive advantage flows from the ability to be cost effective, or the ability to offer superior quality or to be superior in any other dimension – speed, delivery, customer support, etc., which is significantly valued by the customer. This ability should be distinct enough so that it cannot be easily copied. Also, it should have a perennial source controlled by the organisation so that it remains sustainable. Some common sources of this ability are – infrastructure, plant and machinery, material, technology, process, finance, innovation, etc. All these resources are always under the influence of people who can strengthen or weaken them. In the long run, sustainability flows from the people, who keep improving and strengthening resources to maintain the lead. The people dimension is not easy to copy. However, only talented, enthusiastic, and motivated people with zeal can sustain the lead. Ordinary people, who lack these strengths, are not much different from the passive resources. It is therefore, a superior talent culture that vaccinates passionate people against any possible degeneration and keeps them refreshed and engaged.

Conclusion

Relative superiority in the marketplace can be achieved on a sustainable basis sometimes through passive resources. But talent ensures greater certainty of superiority. The talent route is tedious as both the processes involved – talent generation and talent fusion – are challenging by nature. The process of hallmark development in promising employees is a multidimensional intervention. It improves the flow in the talent pipeline. Talent is put to meaningful use through the process of fusion. A culture of synergy inspires people to fuse their talents for a higher purpose. The culture of synergy is the responsibility of the people who are at the helm. This responsibility cannot be delegated. It needs deep commitment, involvement, and maturity. Actions certainly speak louder than words here. If leaders dither in taking the plunge since they are busy elsewhere, the synergy culture is left in the lurch. And for some organisations, this wait is eternal.

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