

Status of Talent Management on Human Resource Management

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Abstract

Talent management system is a critical driver of organizational performance in present day. Talent management however, lacks a clear conceptual status. This research therefore aims to review the status of talent management on human resource management. For attaining the results in this research, literature review from secondary data was utilized with 21 references from academic database. Firstly, talent management is connected to the theory of human capital. Secondly, talent management differs from previous human resource management. Thirdly, talent management has a very high importance for improving organizational performance and outcome. Fourthly, talent management has common problems both in knowledge and practice. Fifthly, talent management is a hot topic on human resource management. Finally, there should be more research on the components of the talent management system to further develop the field of talent management.

Keywords: Talent Management / Human Resource Management / Status

Introduction

Human resource leaders recognize that talent management system is a critical driver of organizational performance in present day (Lombardi & Laurano, 2013). Talent management system plays a fundamental role for organizational success (Lockwood, 2006). Many researchers in human capital management field have emphasized that it should be linked with talent management. Presently,

administrators believe that investing in human capital can generate added values through efficient organization (Armstrong, 2009; Noe et al., 2010).

Talent management has become a popular human resource topic. There has been significant research about talent management since the book “The War for Talent” by Michaels, Jones and Axelrod in 1997, popularized in the 2000s (Collings & Mellahi, 2009). Thus, talent management has become one of the most widespread topic in the field of human management. However, knowledge on talent management remains unclear. A research gap on talent management starts at the agreement on its clear concept and context on the status of talent management (Lewis & Heckman, 2006; Collings, 2014). Therefore, there should be further research about talent management (Brooke et al., 2012).

Objective of the study

The purpose of this study aims to review the status of talent management on human resource management. From here, a research question was developed: What is the status of talent management topic on human resource management?

Material and Method

A study method over a review of literature from secondary data was devised. A reason for choosing this method as an instrument was because it allowed to determine a research question on status of talent management based on previous results in published literature.

Conducting a literature review in this study have been considered in terms of the following. A criterion of choosing literature is inclusion and exclusion. The articles selected must be secondary literature, which directly concerned talent management by examining title, abstract, research purpose, finding, and conclusion. Research articles and academic articles with full paper are first order and after that textbooks of famous authors in the field of human resource management were considered. In contrast, the articles unselected must be are only abstract is available or not fully published. Key words included talent management, human resource management, and status. A total of 21 publications from 2006 until present were found useful to the study.

Findings

Talent management as the operations integrating human capital management in people that exhibit knowledge, understanding, skill, ability, high performance and high potential, and linking to top organizational strategies. (Lockwood, 2006; Taleo Research, 2008; Noe et al., 2010; Bhatt and Behrstock, 2010; Khatri et al., 2010; Kehinde, 2012).

From a research question: “What is the status of talent management topic on human resource management?” This question was analyzed summarize the status of talent management topic on human resource management as shown in Table1

Table 1 Summary of the status of talent management topic on human resource management

Status of Talent Management	Authors & Year of publications
Talent management is connected to the theory of human capital.	Sigler and Kashyap (2008) Becker (2009) Armstrong (2009) Snell and Bohlander (2010) Noe et al., (2010) Khatri et al., (2010) Lombardi and Laurano (2013)
Talent management differs from previous human resource management.	Ployhart (2006) Chuai (2008)
Talent Management has a very high importance for improving organizational performance and outcome.	Ployhart (2006) Collings and Mellahi (2009) Florea (2011) Brooke et al. (2012)
Talent Management has common problems both in knowledge and practice.	ADP Research Institute (2011) Brooke et al. (2012) Rao (2014)
Talent Management is a hot topic on human resource management.	ADP Research Institute (2011) Lombardi and Laurano (2013)

The status of talent management topic on human resource management are summarily presented below.

1. Talent management is connected to the theory of human capital.

Previously, economists have tended to perceive human capital negatively as passive, undeveloped, working as a machine. In contrast, Becker (2009) investigated human capital theory using empirical research and his study revealed that on-the-job training is important and illustrates the effect of human capital on earnings, employment and other economic variables because it builds thinking employees. Due to his findings, he contended that human capital is a valuable asset both economically and socially. Other research on human capital showed that if talented employees receive education and training, they will contribute more at the organizational level and even national level. These studies reinforce human capital theory. Organizations should combine human capital knowledge with talent management as an efficient strategic human resource.

Human capital management should be considered talent management (Armstrong, 2009) since human capital involves the organization efforts to acquire and retain talented employees. Talent management policy is a continuous responsibility of human resource administrators (Sigler & Kashyap, 2008). Human capital is intangible and different from general human resource management. Administrators must have talent management skills that include paying attention to talent identification and talent recruitment (Snell & Bohlander, 2010; Noe et al., 2010; Khatri et al., 2010; Lombardi & Laurano, 2013).

Human capital encompasses the knowledge, ability, skill and experience of thinking employees that can contribute significantly to organizations. Consequently, the success of an organization is dependent on its success in talent management. In other words, the success of human capital management focused upon talent management. As following these literature review, the authors can be concluded that the theory and concepts of human capital are connected to talent management.

2. Talent management differs from previous human resource management.

Traditional human resource management stands in an anxiety position at the 21st century including economic, societal, and cultural changes make organizational success and survival dependent on

staffing, and many human resource leaders fail to recognize staffing's value. This means that, although staffing should be one of the most important drive for achieving competitive advantage, organizational leaders do not understand staffing or use it optimally (Ployhart, 2006). So, talent management was significantly different from traditional human resource management. Human resource management is concerned with staff in general. Talent management emphasizes segmentation of talented staff from their weaker peers. (Chuai, 2008).

Talent management is strategic, while human resource deals with the day-to-day management of people. Talent management focuses on talented-people, while talent management focuses on talented-people. These differences led the authors to clear that talent management differs from traditional human resource management.

3. Talent Management has a very high importance for improving organizational performance and outcome.

Organizations were proposed to apply talent management for improving performance. However, rather than suggest that talent management leads directly to organizational level outcomes (Collings & Mellahi, 2009). Results from literature offers human resource leaders to strategically leverage their talent management. Given that the war for talent is real and relevant to organizations around the globe, it is critical that organizations leaders recognize the value of talent management (Ployhart, 2006). At the same time, organizations realize that they need high-quality managerial talent to succeed in the new markets for the future growth of businesses (Brooke et al., 2012). Because of talented employee delivered skills and knowledge to the organizational performance improvement, every organization fights for talent. That is why the organizations must create a talented employer brand (Florea, 2011).

Talent Management not only can improve performance of organizations but also it can deliver new tools for growth in their product and services. The author's point of view can conclude that talent management has a high importance for organizational performance and outcome.

4. Talent Management has common problems both in knowledge and practice.

Nearly every organization, practices some form of talent management. When it comes to talent management, these organizations are trying the best on talent management. Some of these organizations really are managing their talent well, but others are still weak. In practice, there are existing problems of talent management system. Moreover, survey results have shown that companies understand that talent is key but are struggling to manage it successfully. There are problem on talent management's studies: the lack of standard for measuring talent management effectiveness and the inability of organizations to decide the impact of talent management on the achievement of goals (ADP Research Institute, 2011). Because of the studies on talent management system have not been concluded caused to be more research about talent management (Brooke et al., 2012; Rao, 2014).

There are survey results that shows companies understand where they need to be in terms of talent but are struggling to get there. These results led us to conclude that talent management has common problems both in knowledge and practice in the present day.

5. Talent Management is a hot topic on human resource management.

Lombardi & Laurano (2013) collaborated on a research exploring over 200 organizational. The research showed that talent management is new human capital management trends and has positive impact on business performance. The Boston Consulting Group and the World Federation of People Management Association (2014) collaborated on a study exploring over 20 key human resource topics in people management. This study employed an online survey polled from executives throughout numerous industries in more than 100 countries and six major regions, and interviewed many executives both human resource and non-human resource from well-known companies around the world. The research reported that talent management continues to top the list of the hot and critical topics in human capital management.

In the view of the authors can state that nowadays talent management is a hot topic. Especially for organizations that are working extremely hard to be competitive in today's changed business world.

Talent management has become an essential priority for present and modern human resource management, and organizational success is directly related to talent that is used.

Conclusion and Discussion

Literature on talent management shows that organizations notice to talent management is one of the top human resource management topic. However, one of problems organizations have is finding a clear status of talent management. A contribution of this article is to review of the status of talent management topic on human resource management. Based on review of literatures and document analyses from primary and secondary data. From this we can define the status of talent management on human resource management in five ways.

1. Talent management is connected to the theory of human capital.

Human capital management should be regarded talent management since human capital involves the organization efforts to acquire and retain talent. Human capital theory is introduced as theoretical frames for the global talent pool management.

2. Talent Management differs from previous human resource management.

Talent Management is a critical answer and should be replace traditional human resource management in a new world of human resource management.

3. Talent Management has a very high importance for improving organizational performance and outcome.

This perspective status believes that the future success of the organizational performance and outcome is based on having the right talented people. Thus, talent management is part of the everyday process of organizational life.

4. Talent Management has common problems both in knowledge and practice.

It was found that an effective way to create effective talent management was to find its basic components. In fact, the components of talent management system for real practice and their processes are still vague.

5. Talent Management is a hot topic on human resource management.

Fighting on talent war seems to be stronger and harder. Thus, talent management as part of human resource management is a hot topic in organizations and continues to top the list of human capital management.

Recommendation

1. Recommendations for Application of the Research Findings

It is recommended that the organizations should initiatives and improve their formal practices and strategies in connection with talent management to enhance its effectiveness. Organizations should therefore know how to manage talents and apply strategic talent management to achieve improved organizational performance.

2. Recommendation for Further Research

An effective way to understand a broad concept of the talent management system in any organizations is to recognize its basic components. But components of the talent management and their processes were still confusing. There should be more research on the components of the talent management to further develop the field of talent management.

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