

Talent Management: The Fundamentals of Talent Management

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Talent management is the systematic process of creating and sustaining individual competencies that will help the business deliver strategy>-

[David Ulrich](#)

Based on this definition, the commitment of a business to attract, employ, retain, and cultivate the most competent and exceptional people available on the job market is known as talent management. It's a business strategy that companies think will allow them to keep their best and brightest personnel. The stated business strategy, just like employee involvement or employee recognition, will secure the attraction of top people in a competitive market.

Key components of Talent Management

Talent management consists of seven major components that, when carefully executed, combine to maintain a company on the cutting edge. The following are the key components in the Talent management process:

1. Strategic Employee Planning

This could be the first step in your Talent management process. This strategic planning process allows you to identify essential employees and positions that you can use to expand your company. Creating a [strategic plan](#) will enable you to set goals and create a plan to implement them. These plans are frequently confused with business plans and are used by new companies or projects to outline their goals, needs, possibilities, and structure. This would be a good first step as it would allow you to have a vision and lay out the roadmap before initiating the other steps in the process. Experts contend that strategic planning is essential for corporate success, regardless of the company's nature, scale, or size. Here is a list of reasons why strategic planning is important:

a. Sets Direction- The strategic plan establishes the organization's or project's direction and primary goals. It defines and explains the priorities and goals for the organization's various teams and individuals. It can ensure that the most important jobs are prioritized, not simply the urgent ones. Organizations with a strategic plan in place are on their way to being cutting edge and better business

results.

b. Ensures Focus- Once the direction is established, focus can be achieved. The direction will sharpen the organization's collective focus and ensure that objectives are fulfilled.

c. Aligning to Shared Objectives: Most times, individuals and departments put forth a huge amount of work, but this does not always convert into success. With a strategic plan, the direction is provided to guide individuals and departments to apply the work and effort to achieve business progress.



2. Talent Acquisition and Retention

It is essential to find new talent and also to retain old talent. A fundamental skill for talent management and HR professionals is knowing when to hire internally and externally. Bringing new talent into the organization is equally important as recognizing and developing the talent you already have. Everything needed to recruit, interview, hire and retain talent should be included in the Talent acquisition and retention strategy.

4. Career Development

Another key component in Talent Management is [career development](#). This component has a lot to do with employee training and development to equip them for better, higher-paying jobs. Still, only very few businesses dedicate time to creating a learning culture that encourages employees to develop. Careers are vital to people at all levels of an organization. Managers must cultivate professional development among potential leaders. By providing career development materials that are scaled appropriately for employees at all levels.

5. Succession Planning

[Succession planning](#) is the deliberate and systematic effort made by the leadership of organizations to recruit, develop and retain individuals with a range of leadership competencies capable of implementing current and future organizational goals. It involves a pool of skilled individuals who can fill critical jobs when leaders and other key staff leave. Leaders may leave for various reasons. They may decide to resign or retire or be fired or fall ill. These reasons trigger a change in leadership, and this is where succession planning enters the stage. Organizations with succession planning plans build a talent-oriented culture by hiring competent workers and top talent. Because there are no holes in a succession plan, it ensures that the organization runs smoothly.

6. Learning and Inspiring

Learning is the process of gaining knowledge and experience via acquiring information and skills. As a business, implement learning programs that incorporate activities and tasks that promote the culture and initiatives of the organization. Employees will realize how important their function is when they see how their development affects the organization's performance.

7. Compensation

Compensation and benefits refer to a company's compensation/salary and other monetary and non-monetary advantages provided to its employees. ([Mlala, 2021](#)). This strategy involves aligning your 'business' strategic goals with incentives. By so doing, you recognize recognizing people, rewarding their contributions, and recognizing their value to the company. Compensation is essential in the sense that it keeps your employees motivated. Remember that compensation can be a powerful tool for attracting and retaining talent. It should always be used to drive people to achieve company goals. Use compensation schemes to acknowledge individual contributions or reward all employees for company achievement.

Importance of Talent Management

Is talent management that important? On many levels, it is an essential component of a strong organization. Numerous experts agree that there is a continuing "battle for talents" in today's business environment, with many available positions and not enough high-quality candidates to fill them. To win in this sort of war, an organization must ensure that its Talent Management plan is the right fit. Here are the top advantages of rethinking your talent management strategy.

1. Attracting, Recruiting improvements, and a better company reputation

A well-thought-out plan increases applicant communication throughout the recruiting process, leaving a great impression at each stage. It helps to build a company image that can attract potential employees, which helps to improve the organization's business performance and results.

The talent pools that need to be tapped into must be identified in advance to keep the process as smooth and efficient as possible. This is where the kind of employer brand that the organization has built for itself comes into play because that [decides the quality of applications](#) that come in.

2. Happy and Engaged Employees

[Talent management](#) also considers what will keep your staff engaged and eager to go the extra mile. By having a fair development process in place, employees will feel more engaged, which will help organizations meet their operational needs by raising [retention rates](#).

A good talent management strategy improves organizational transparency, cooperation, and productivity. It also fosters a supportive and engaging workplace culture. The prospect of development is a strong motivator and is often a cause for sticking with a job. This promotes the personal development of individuals and reduces employee turnover.

3. Improved Customer Satisfaction

Employing a disciplined approach to talent management demonstrates that the organization is well-

integrated and that talent management is always applied consistently. Client satisfaction usually rises when systems are well connected since they deal with fewer individuals, and their demands are handled on time. Thus investing in Talent Management is important for a business. This is why talent management is quite important.

What is Talent Management in HR?

Nowadays, to effectively drive the organization forward towards the new normal, HR professionals must strive to improve their business knowledge. Talent management is one HR tool used to achieve this. It encompasses all Human Resource activities to attract, develop, motivate, and retain high-performing people. To attain the best results from these activities, you'll need a people management strategy designed specifically for your company. Because talent management focuses on employees, it allows you to optimize their value, and as an HR tool, this involves several stages.

Talent Management Frameworks



What is a Talent management framework?

This type of framework will help give a structure to your plan to meet the organization's human capital and business requirements. It assists you in ensuring that you have everything in place to properly implement your talent management plan and improve the performance of your employees. An excellent framework lays out the various aspects of talent management in your company. It outlines tasks in each area to make your people management approach more effective. Finally, a checklist can be used when developing or refining your approach.

Many companies lack a well-structured talent management framework and instead tackle challenges on a case-by-case basis. [Evan Hughes advises companies](#) to develop interconnected talent management (TM) framework, also known as a talent management model, that chooses and aligns Talent Management programs., It will also ensure that your model is in tandem with the organization's goals. While no uniform talent management model exists, some HR professionals have developed good models that just about every organization can employ. Whatever method you use to create your model, must include the essential elements. The image above shows some key features within the Talent management model.

1. Planning

This first step in the model allows you to critically assess your current employees and see what is compatible with your business. It enables you to find any gaps between the plan and your organization's goals. With a correct plan, you can make sure that you seek talent with the right skill set. For example, if employees who have specific characteristics tend to stay at the company longer, you should plan to hire more people who share those characteristics.

2. Attracting

After a plan is formulated, the next step would be attracting the desired talent. Your framework will come into play here by helping you showcase what your company can do for employees as the employer of choice and help you attract and recruit them. The most important thing to remember here is to make your company more appealing. If you don't hire a person, make it appear as if it was a great experience and make them feel like it was just that, as this will allow you to hire them for future jobs or use them as ambassadors to help you recruit new talent. It is also important to take note of what candidates look for in companies to advertise yourselves as the ideal company, for example, statistics on [Apollo Technical](#) show that 67% of candidates consider diversity important. Diversity comes with several benefits, such as improved creativity and innovation, increased productivity, and greater growth opportunity.

3. Developing

This stage of the framework involves taking measures to help your employees grow within the organization. This stage will require a good [onboarding plan](#). The plan will help you gain loyalty and enhance employee engagement as you develop your talent and prepare them for the expertise needed to contribute to success. A survey on BetterBuys shows that [7 out of 10 employees](#) say that professional development affects whether they stay with a company. If your plan is good, employees will not need to look outside of your organization for growth, and this will help you to better retain employees.

4. Retaining

Talent management also enables you to keep people within your company for longer. When employees feel that they enjoy the company and see it as a meaningful place, they are more motivated to stay. When you help your employees grow through training and give them a chance at professional development, they will naturally feel the desire to remain with your company.

5. Transitioning

You should plan for employee transitions after hiring and strengthening their abilities at this stage. During this step, your goal is to preserve their expertise within the organization. You must have a strategy in place for promoting talent or transferring them to a different role, department, or office. If a worker decides to quit, you must comprehend why. This step also includes taking measures to make each employee feel like they are a part of something larger, providing them with pension benefits, 360-degree feedback, and having an efficient succession plan may appear to be unrelated steps, yet they are all transition instruments that allow the transition journey to happen smoothly.

Adhering to all the stages within this talent management framework and creating or improving your plan will enable you to do manage talent within your organization effectively. It will improve your talent management strategies and help you to reap good results from it. A keynote to always remember is that you must understand your business model and align your talent management strategy with your overall business model and strategy.

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