

# **A THEORETICAL APPROACH OF TALENT MANAGEMENT IN PUBLIC ORGANIZATIONS**

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**Abstract:** The COVID-19 pandemic brought to the fore the strategic importance of human resources in organizations and emphasized the need for the process of identifying and developing talents, as critical resources for organizational success. The objective of our article is to critically analyse the conceptual elements of talent management and highlight the importance of effective talent management for public organizations.

**JEL classification:** M12, M51, M53

**Key words:** talent management; public organizations; performance;

## **1. INTRODUCTION**

Lately, due to the succession of economic, social and humanitarian crises, there is a strong attempt to reshape the public sector by resizing and redefining the elements of administrative policy based on a central element: talent management.

Talent management can be considered as that resource of human resources that triggers a set of effective actions at the level of the public institution and whose importance is confirmed or refuted by results.

Globally, a number of trends are emerging that lead to an increase in the role of talent in organizations, which have become the **engine of productivity growth and economic development**.

The **European Union** recognizes the importance of these developments and aims to become *a smart, sustainable and inclusive economy* (Europe 2020 Strategy), setting **3 EU priorities, 5 major objectives and 7 flagship initiatives**. In essence, 2 of the 3 EU priorities (creating a smart and sustainable economy), 2 of the 5 strategic objectives (research and development, climate change and energy) and 3 of the 7 flagship initiatives (an innovation union, a Europe efficient in terms of resource use, industrial policy adapted to the era of globalization) involve stimulating research and development activities, thus emphasizing their increasingly important role.

Changes in global demographic and technological developments can lead to a distortion of talent management, and organizations, regardless of their industry, will be forced to adapt their management practices to the needs of employees. Thus, employers

will focus on developing a meaningful employee experience to attract and cultivate the talent the organization needs to grow.

The decisive contribution of talent management to the generation of new knowledge (the fundamental element of the future economy), as well as its impact on economic performance, positions the concern for stimulating their development as a strategic priority. This management system is based on a new mentality related to talent management and the development of a proposal to highlight the skills and competencies of employees together with a solid strategy for hiring and promoting talent.

We consider that there are also other areas, related to contextual performance and substance intake, which are brought later in the career and which come after employment. The higher an employee climbs the hierarchy, the more value he will bring to the organization he belongs to. In this context, it is important not only to select employees who perform well for the position for which they are employed, but who will have the potential to take over other positions in the organization, in main hierarchical positions. Therefore, career progression becomes an important predictor in psychological assessment. But more than that, when a person proves to be a talent, he will be in charge of performance, will acquire new knowledge and skills, will take over higher hierarchical positions in the organization - in other words, when he demonstrates that he can bring superior value to the organization - it will be important for that person to stay in the organization. Voluntary departures become another important warning factor.

Therefore, the results obtained in this direction of research showed that the success of the staff selection and recruitment process will also be influenced by the reputation that the public organization has formed among potential future employees. The influence of the reputation of the public organization goes, however, beyond the recruitment stage and is manifested both in the productivity of long-term employees and in the level of their identification with the values promoted within the public organization.

The management team must highlight the central role it plays in generating value for the public organization it owns. The talent to create, develop and maintain a good reputation has become a central concern, both for scientists and for organizations, regardless of their type.

## 2. PARTICULARITIES OF TALENT MANAGEMENT

Elizabeth G. Chambers, Mark Foulon, Helen Handfield-Jones, Steven M. Hankin and Edward G. Michaels III used the notion of **talent management** in 1998 in *The War for Talent*, stating that people who will have a higher talent will be the main source of the competitive advantage of the organization and therefore, a spirit of talent must be instilled throughout the organization.

Peter Honey (2004, p.11) states that a clear definition of talent management is synonymous with *opening a box of worms* and this feature is also defining for defining talent in the context of an activity.

This conceptual ambiguity is generated by the historical evolution of the term talent - given the different meanings it has had over a thousand years of existence.

Related to the concept of talent, there is another issue that needs clarification, namely whether talent is *born* or *acquired* through training and development, with the gain of experience.

We consider that Meyers M. Christina, Woerkom van Marianne and Nicky Dries (2013) offer a successful integrative vision on the two approaches or philosophies about talent and it can be seen that both the existence of the natural side of talent is accepted (this being a genetic inheritance), as well as the acquired side of an individual's talent that derives from the experience gained (the statement that anyone can become a miracle child is thus encouraging).

As it is difficult to identify the need for organizations to find and retain valuable human resources to meet the challenges of the job and to occupy strategic positions, it is necessary to implement a management system that attracts talent (Burlea-Schiopoiu, 2013).

This new management system is based on a new mentality related to talent management and the development of a proposal to highlight the skills and competencies of employees together with a solid strategy for hiring and promoting talent.

Talent identification and development has been promoted as critical to organizational success and is recognized as one of the major challenges of the human resources function (Burlea-Schiopoiu, 2008). Theoretical development in the field of talent management is limited and is based more on the strategic management of human resources, the resource-based vision of the human resource architecture (Burlea-Schiopoiu and Mahon, 2013).

Lewis E. Robert and Heckman J. Robert (2006) concluded that there is a lack of clarity in the literature on the definition, purpose and general objectives of talent management and argue that the definitions of talent management fall into three groups:

- Talent management is used as a substitute label for human resource management practices, such as recruitment, leadership development, succession planning and that here is its limitation,
- Talent management is considered as a general classification of employees in different talent pools, and the emphasis is on designing employee needs and managing employee progression through positions,
- Talent management focuses on talented employees, as all roles within the organization should be performed by talented employees.

Julia Hughes Christensen and Evelina Rog (2008) considering the research of Lewis E. Robert and Heckman J. Robert (2006) state that talent management is not well defined and, as a result, is not even correctly understood by organizations, identifying three relevant aspects of talent management:

- Pursues the same functions of the human resources department, it is little more than *a trendy term or a euphemism*, which involves an approach based on information technology, such as the Internet or certain software solutions throughout the organization,
- Focuses on forecasts or human resource development based on factors such as *workforce skills, supply and demand, employee growth and attrition*.
- Focuses on the *supply, development and rewarding of talented employees*.

The changes that are taking place worldwide in terms of demographic developments that are corroborated with the rapid evolution of technology have considerable global implications on employees and on the activity they carry out. This

new approach can lead to a distortion of the way talent is managed, and organizations, regardless of their industry, have concluded that their talent management practices no longer meet the needs of employees. Thus, employers focus on developing a meaningful employee experience to attract and cultivate the talent the organization needs to grow (Idowu et al., 2017). Talent management specialists focus on developing a set of human resource strategies that will include other management elements such as critical thinking, agile management and behavioural analysis to enhance their human resource skills.

### 3. THE IMPORTANCE OF TALENT MANAGEMENT FOR PUBLIC ORGANIZATIONS

Public organizations, especially in the current context of the COVID-19 pandemic, will not be able to reinvent existing talent management practices in a sustainable way if they do not answer, in a relevant and logical way, the following question:

#### *Why is talent management important to me as a public organization?*

A possible answer to this question can be found in the following justifications developed by Hughes and Rog (2008):

- 1) Efficient talent management ensures the success of the organization because it retains and motivates only outstanding talents,
- 2) Ensuring a high degree of employee involvement which leads to increased labour productivity.

Thus, the benefits of a talent management strategy are seen from the recruitment phase of employees and affect retention rates, providing greater employee involvement - *and these results have been associated with better financial performance.*

The term *talent* is used extremely frequently, in a wide variety of contexts and with multiple meanings. A proof in this sense is a simple search of this term on Google, a search that generates over 700,000,000 results which leads us to the idea that talent is ubiquitous, being associated with performance athletes, with artists with extraordinary skills and less with people working in an organization.

Public organizations can take advantage of the fact that talent management is an integrative process that involves attracting, integrating and developing the best professionals on the labour market. Talent defines a top professional or an elite public officer, regardless of field or specialization. Thus, talent management, as a process, presupposes the existence at the level of public organization of a grid for the identification of both super-efficient public officers and those below standards. At the same time, it is necessary to identify specific actions to address those with performance below standards and those in the talent nursery to develop where necessary (Burlea-Schiopoiu and Popa, 2013).

The talent of a public officer presupposes the existence of several factors, from qualifications and abilities, to potential, personality and motivation. Human Resources specialists have the responsibility to identify and coordinate the talents within the organization.

PERFORMANCE includes the behaviour and evaluation of public officers in accordance with the values and standards of the public organization, involving a critical analysis of professional development (successes and results, the scale of projects managed both within and outside the organization).

POTENTIAL includes, on the one hand, the aspect of ambition (translated as the desire for advancement and development in the hierarchy of public officers, proof of determination for self-development and career development, willingness to take on new challenges); and on the other hand, the aspect of flexibility (which determines the public officer to tend towards greater, more complex successes, towards hierarchical positions within the public organization).

Talent categories vary widely, from being focused on certain people to a set of characteristics or a certain statement of necessity. Therefore, public organizations differ depending on the extent to which they consider talent as the performance and potential of public officers or whether it is exclusively focused on using limited resources to occupy more senior positions.

The identification of talents is determined by the gaps in capacity or skills within the organization and the identification of critical segments of human resources, which are essential for the public organization to successfully carry out its activity.

Another debate on how to approach talent in the field of practical activities is offered by Gallardo-Gallardo Eva, Dries Nicky, González-Cruz F. Tomás (2013), who make a delimitation between the **OBJECT type approach** and the **SUBJECT type approach** of talent.

Regarding the **importance of talents** in carrying out practical activities, we considered relevant the statement of Hart Consulting specialists that *talents are the key element in the profitability and sustainability of a company*, which can be translated by the traditional Romanian saying *Man makes the place* (www.hart.ro).

Gümüş Sefer, Apak Sudi, Gümüş Gülnihal Hande, Zuhul Kurban (2013) present a set of six characteristics of talent: *ability, ease, time, modern, leadership and triumph*.

Also regarding the talents within an organization, by analogy with the life cycle of a product, William Schiemann (2014, p. 283) introduces the concept of **talent life cycle**, the specific stages within such a cycle being in number of eight.

1. Attracting the talent,
2. Gaining (acquiring) the employee's trust,
3. Actual employment,
4. Employee's training,
5. Maximizing employee performance,
6. Talent development and succession,
7. Retaining the talent,
8. Talent recovery.

Identifying the strengths and weaknesses of some talents can help us in shaping the talent management process. An example of this is the Hogan report (Hogan, 2016) which refers to the tools proposed for the entire TM process, from recruiting and attracting talents to the organization to training and developing them. According to Hart Consulting, the Hogan report shows the *performance and matching with the requirements of the position and the culture of the organization and offers concrete, pragmatic directions of development, offering help in talent management programs* (www.hart.ro).

The **recruitment** stage must play a *key role in the talent management policy* because it can identify and attract those talents that the company needs to perform.

According to Campbell Victoria and Hirsh Wendy, authors of the 2013 IES report, there are two specific areas (critical or rare positions that are difficult to replace) that talent management addresses directly:

- Senior technical specialists: most of the time these specialists are few in number in an organization, in many departments or teams being only one
- Many companies are developing programs to grow their own employees from a beginner level to the role of experienced senior technical specialists (fields such as Information Technology or engineering)
- Qualified staff: providing qualified professionals

However, there is a debate that should be taken into account, namely: if talent management addresses directly the two specific areas above that we consider to be talents in the organization, then what do we do with non-talents? In the context in which only 10% (Gallardo-Gallaro et al., 2013) of the employees in the organization are talents with the highest potential and performance, and with the rest what do we do?

Stanciu (2008) alludes to *Jack Welch's famous personnel policy, which annually fired the last 10% of employees* just to keep their talents. Starting from the premise that talent management has an important role in the public organization and in normal situations and with talented public officers any public organization can achieve high results, but in crisis situations and without a talent pool it is very difficult for the public organization to obtain high-performance results.

#### 4. CONCLUSIONS

Our scientific research aimed at a critical analysis of the literature on talent management, as many experts have concluded that there is a lack of clarity in the literature on the definition, purpose and general objectives of talent management and have identified three relevant aspects of talent management:

- Pursues the same functions of the human resources department, it is little more than *a trendy term or a euphemism*, which involves an approach based on information technology, such as the Internet or certain software solutions throughout the organization
- Focuses on forecasts or human resource development based on factors such as *workforce skills, supply and demand, employee growth and attrition*
- Focuses on the *supply, development and rewarding of talented employees*

In a talent management project with a cyclical structure, all employees get to learn from the best and performance will be ubiquitous at all organizational levels.

Any public organization, regardless of size, should have implemented a talent management project based on the organization's need to generate successful behaviours. Therefore, the project must be cyclical and phased. The major stages will be: setting up the talent pool, informing them about the whole process, conducting career interviews and the analysis stage in which specific human resources tools are used. Thus, the centralized and validated results constitute the basis for working with the group members, respectively the specific trainings. The end of the program is, in fact, the beginning of a whole new cycle.

Therefore, talent management specialists will focus on developing human resource management strategies focused on critical thinking, agile management and behavioural analysis.

In addition to promoting talent management as a good practice among public organizations, our future research efforts will also cover a study on strategic planning activities in public organizations in order to examine the existence, nature and intensity of the relationship between strategic planning thinking and the components of this process, on one side, and the linkage between talents, employees' performance and achievement of the proposed objectives on the other side.

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