Importance of Talent Management in Reducing Employees’ Turnover Intentions

Neda Esmaeili
Project Coordinator, Petro Barasun International Company
Neda.Esmaeili@yahoo.com

Abstract

Nowadays the organizations have well found that they need the best talents in order to be successful in the complex global economy and to remain in the competitive business environment. Having simultaneously understood the need for employing, improving and maintaining the talents, the organizations have realized the talents are the crisis sources who need management in order to reach best results. In the 1960s and 1970s, talent management was relegated to the administrative unit because it is thought to be a side responsibility. Nowadays, the talent management has been taken into more serious consideration as an organizational duty and its responsibility is with all departments. Undoubtedly, the contemporary era is the organizations’ era to which human beings rule who due to possessing the most massive source of power, thinking, can make up the requirements of escalation, stimulation and growth for the organizations. In this article, it is attempted to analyze the importance of talent management in the employees’ turnover intentions by means of studying the state-of-the-art sources and articles and expressing the new achievements and standpoints.

Keywords: Talent, Talent Management, Turnover Intentions, Human Resources.
Introduction
Third-millennium organizations remind a concept called human capital. Improving human resources is considered as the secret of organizations’ durability and the most important challenge in the business field. Technology does not matter anymore. It has been replaced with the smart human labor and talented human capital as the major secret of facing challenges. In the modern business world, management of human resource development is not the only center of costing; but in tune with the competitive environment, the organizations for more profit and reducing the costs use the approach of talent management, variety of staff, variety of educations, trying to create added value for their investment. Nowadays keeping and improving the organizational talents is the most important concern of managers of human resource development. Talent management can have an exciting effect on naming the organizations. Therefore, human resources should be accounted as the most important capital for an organization which may have a key and important role in leading the organization to reach its goals.

In the very competitive space of business, developing the talent management is accounted as one of the most important business factors for maintaining the advantage of competition in the organizations. In this respect, the elite can bring about so many values for the organizations and cause prosperity and growth in the organization. So, a few companies emphasize on human investing and most of them invest in the modern technologies, programming systems and implicational software while the modern organizations become developed under the support of investment in the employees and try to guide their talents toward an ultimate success. Talent management counts as one of the most important strategic issues of organizations. Talent management can have very influence on improving an organization’s performance and can cause maintaining the talented employees who are able to write their employment contract, reject the uninteresting offers and not to leave the organization due to the existing developing opportunities.

Underlying Factors in Framing Talent Management
Rapid and widespread changes in the today organizations have been caused that lack of skills become the major challenges of the labor market. Increasing demand of entrepreneurs for attracting the skillful forces on the one hand and the tendency of powerful employees to catch the prestigious jobs on the other hand have been caused creation of a struggle and fight which may not be irrelevant if we call it the ‘talent struggle’. In this struggle, the organizations are successful that improve their strategies, policies and procedures in such a way they can essentially attract, improve and maintain talented employee in order to continue their economic life. To do so, the organizations have to know what potentials they need for the organization and then identify the potential talents among experts; in other words, they have to be manage the skillful and very talented staff. Nowadays, optimum and appropriate use of sources is on the agenda of all organizations and institutions. The existing human capitals in an organization can be counted as one of the most important sources. Appropriate management of human resources can reduce wasting the organization’s resources. Many organizations encounter the problems in the field of human resources and inability in optimally using all the human resources potentials.
This issue is analyzable and modifiable by means of identifying the existing talents and abilities in the organization where talent management is on the table. Talent management is a different skill from the ex-skills of managers and it should be learned. The managers have to know how maximally use the people and how smartly and strategically place them in an appropriate situation. The managers have to design an environment having maximum knowledge and information, maximum innovation and creation and maximum effect. In fact, talent surely has maximum returns if it is managed strategically. 21st organizations possess very talented CEOs who effectively manage the talents inside and outside the organizations and CEOs should employ the best and maintain them.

Talent management is not a global reputation used in the old processes of human resources; but it represents a considerable change in principles of human resources management, a new method in integrating the processes and systems of human resource management. A point needs to be point out that the exodus of talents can be due to lack of enough attention, unmotivated events, finding a better job, difficult working conditions, inappropriate salary and etc. Finding a proper strategy for attracting and maintaining the existing talent needs appropriate discretion and management (contingency management) and consequently the best strategy can be chosen based on measuring the inter- and outer-organizational factors. By investigating the properties of the human capitals, such talents can be explored by appropriate management and nurturing these talents who can increase the motivation and efficiency of the employees in the organization.

Definition of Talent Management

In the following lines of related literature of talent management, it is seen that a clear and integrated definition was not presented in the case of talent management’s range, dimensions and aims despite accomplishing many works, articles and scientific research. According to the studies, three movements can be distinguished: first, human capital and talent’s definitions are emphasized. Second, talent management is defined as a process by means of which the employers predict the need for the human capital and face it. Third, talent management is considered as a tool for achieving the economic(al) results (Cappelli, 2008).

- Essentially, the talent management is not a subject separated from the human resources management; both the talent management and the human resources management emphasize the integrity of business strategies; they emphasize identification of appropriate job distribution on people; they consider the key role of people’s management. The human resources management has a widespread domain in contrast to the talent management. The human resources emphasize the responsibilities while the talent management emphasize the people (Iles et al., 2009).
- Facilitating the development of job career and attracting very talented and expert people in an organization using processes, resources, policies, methods and common and conventional procedures (Cillings and Mellahi, 2009).
- Talent management includes three different concepts: 1) a set of common activities of human resources, 2) a movement of human resources all over the organization, 3) finding resources, improving and rewarding very talented staff.
• Talent management includes mixing the activities and responsibilities related to the management of talent’s life cycle, irrespective of time, place, attracting and achieving, developing and maintaining the talent.

• **Turnover Intention**

Turnover intentions are defined as a person’s motion toward the exit way from the affiliated demarcation in a social system where the person himself/herself started it. Turnover intention (or tendency) is not overt despite the real turnover. Intentions are the expression of some phrases about specific behavior. Turnover intention is subjectively and mentally defined as a person will change his/her job in a specific period and is one of the major prerequisites to the real turnover. There are two theoretical approaches in the field of effective factors on the employees’ turnover intention. First approach looks with a micro-view at the topic and considers the personal factors such as age, education and gender effective for the employees’ turnover. Second approach sees the point on a macro-view and takes into account the job and organizational factors such as the massive amount of extra work, organizational justice, payroll systems and organizational culture. Ultimately, turnover intention influences in various forms the dynamicity of the labor inside the organization and the final destination of an organization as well.

Identifying the factors stimulating the turnover intentions is one of the preventing ways for turnover and its possible consequences. The contemporary organizations spend so much capital in the frame of employing, learning, developing, improving and maintaining their employees. Hence, the managers have often to minimize the rate of turnover with its all probable costs. Employees’ turnover brings about direct and indirect costs to the organizations. The direct cost for employees’ turnover is defined as organizing, selecting and preparing the new person. On the other hand, the indirect costs include reduction in working conscious and ethics, weakness of organizational culture, pressure on the rest employees, preparation cost and loss of social capital or organizational memory. Above all, the organizations have to identify these stimuli in order to deal with this phenomenon.

**Effect of Talent Management on Changing Employees’ Expectations**

The expectation of employees is changing; on the one hand, the organizations focus more on strategies and methods of talent management. Today, the employees:

- are interested increasingly in doing significant and challengeable works;
- are loyal to their occupation rather than the organization;
- are less adapted to the structure and traditional power source;
- are interested more in creating balance between work and life; and
- want to choose their job course by themselves.

Responding these numerous challenges has made it difficult conquer the hearts and minds of employees. Moreover, the organization culture is very determining in attracting and keeping the key talents. By means of talent management, the employees become very interested in the organization. Morton (2005) believes that talent management is a necessary factor by means of which the employees become involved in the affairs of the organization.
Advantages of Talent Management for Maintaining Employees

Talent management brings about this assurance that each of the employees with their own specific talents and skills has been put into the appropriate job. In addition, the advantages of service compensation are fair. Meanwhile, their occupational way is clear and acts as a factor stimulating increasingly the better job opportunities, inside and outside the organization. Talent management provides appropriate processes and instruments for supporting and empowering the managers. Consequently, they realize that what expectations they can have from their employees which may cause improving the working relations. As a result, the organization by investing in talent management on the one hand possesses a high rate of capital returns, and on the other hand, will have a variety set of talents. In such conditions, the organization takes the advantages of adroit and motivated labor force which will bring about the organizational efficiency per se.

Talent management is for describing and integrating the activities of human resources management for the aims of attracting and maintaining the appropriate people for the key posts in the proper time. Organizing and maintaining the talents are very important for the following reasons: 1) knowledge-based economy, 2) very strong competition and 3) replacing and transferring the employees. The organizations are moved forward by people. That is the talent of people that determines the success of people. Therefore, talent management is the key core of management.

By means of various factors, the talent management can be effective in reducing the employees’ turnover intentions and keeping them in the organization. The most important factors and their relationships are presented in the following.

Talent Management and Commitment

Talent management can increase the organizational commitment among the employees. The organizational commitment with the emphasis on behavioral dimension means the intention of employees to remain in the organization.

The major issue that the organizations face it is not related to talents management or their exploration, but it is related to make the employees committed because it is necessary from the standpoint of strategic management to make the performance sustainable and continuous which is only possible by employees’ commitment. To reach a high performance, flexibility is important in processes. To maintain safety and employees’ talent, they should be included in the decision makings and keep them motivated, unless they may prefer not to be in the organization. The employees’ collaboration positively influences the performance of employees and maintenance of the talent. The working environment has to be a support for employee’s collaboration in work and accomplishing duty based on their full potential.

Attracting Talents

Attracting the talented people is one of the most important processes in the talent management. In the case of attracting talents, organizational brand and introducing the unique features of the organization to the audience are very important. Introducing the capabilities of inter-organizational development to the talented people and showing this content to the new employees (that the people are put into a proper post according to their competence and rank) are
the most important factors for attracting the talents. In this regard, the employees are maintained in the organization.

**Evaluation and Exploration of Talents**
Following the selection of the talented people, the second facet of talent management process is to take employees in an appropriate time and place in the organization. Taking the talented people in position is an emotional and intellectual relationship that the employee has with job and the manager has with his/her employees and consequently affects his/her double attempts in the organization.

**Development, Improvement and Training Talents**
Based on the studies accomplished for employees, learning opportunities, growing and testing new things is the third aspect influencing the turnover intentions? In other word, additional payments, more off days, flexible schedule and work environment, motivational work and even exciting environment affect such aspect.

**Maintenance Strategies**
Strategies of maintaining talented people and employees should be based on understanding the correctness of factors that affect the people. The following major factors help the maintenance and motivation of employees who have suitable performance: creating challengeable opportunities and reaching success (such as various missions), leadership style, realistic self-evaluation and feedback processes. Chambers (1998) has concluded that payments and salaries are not so effective in attracting and maintaining the employees in many industries and countries. Trusting and honoring the decision-making abilities of managers are two elements of maintaining the employees. Payment is the third factors for maintaining the talents. Kapley (2009) states that the market – and not company – finally determines the employees’ transfer. He believes that fighting the market traction is very difficult and you cannot protect your employees against the exciting opportunities and hardworking entrepreneurs. Kapley suggests that the traditional objective of human resources management, minimizing the replacement of forces, should be substituted with the new objective; that is, identifying the people who leave the organization, the time of leave and the effect of this process. This work should be done based on the risk analysis and determining the rate of loss of organization as a result of turnover of key people or empty key posts.
To maintain the employees, the entrepreneurs have to provide an environment facilitating the learning, providing the challenges, allowing the opportunities to involve the employees and persuading them to remain in the organization. Meanwhile, the entrepreneurs have to provide the learning programs and talent management for facing the varieties of needs.

**Job Stability and Job Security**
The issues such as job changes, losing job and not finding an appropriate job have been located in relation to the concept of job security. According to the industrial and organizational psychologists, job security is one of the factors creating the job satisfaction and reducing
employees’ turnover intentions. Based on the research of LBA counselors, the factors that mostly help the creation and maintenance of organization’s escalation are: performance-based culture, minimum replacement and job stability (especially among employees), high level of employees’ satisfaction, a group of appropriate replacements, effective investment in development and salary as well as payment, using organizational competence in the selection process and evaluation of employees’ performance. Base on this, the counselors believe that increasing the potential of an organization in reaching the ultimate lies behind an understanding of talent management and accessibility of a disciplined method in accomplishing the responsibilities. The aims of talent management have to be defined before accomplishing this task.

**Conclusion**
According to the above-mentioned discussions, it is recommended that the managers pay due attention to the necessity of maintenance of talented and potential employees in the discussion of talent management because globalization and change in demographic factors of labor force have been increase the business demand for the efficient processes of talent management. On the other hand, it is the full-scale support of managers and continuation of this support that finally make the talent management produce optimum results.

It is recommended that the organizations, besides attracting would-be forces from outside of organization and rewarding them, attempt to provide a background for prosperity of talents of inter-organizational employees and to provide a competitive background among the employees so that the people have motivation to compete for improvement in the workplace and feel that they can improve like special and talented people and catch privileges similar to them as well. The company has to have this viewpoint that all the employees have their own talents which should be explored by setting the prosperity stage for employees and there is not any person without talent.

Therefore, creating competition among competent and talented people and maintaining the major human resources in organization are the most important onuses of the human resources management, which are accounted as a strong competitive strategy. If the management cannot accomplish this importance optimally, the major and competent employees’ turnover condition, and consequently the efficiency and service quality reduction will be provided.
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