

Research Article

An Analysis of Employee Capabilities to Develop the Talent Management Strategies

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Abstract: The objective of this study is to analyze employees' competencies and to develop the talent management strategies for private sector banks in Pakistan. This study would also explore the significance of talent management strategies for improving the performance of employees in private sector banks. This study provides benefits to the banking sector for enhancing their innovation and creativity and ultimately organization performance increases. Customer satisfaction increases through innovate and quality products. Talent management and HR practices affect the employee's capabilities in the organization. It is clear that continuous supports from the talent management will be a key strategic requirement for facilitating the knowledge management activities in the firm. Efficiency of the organization can increase when organization has proper check and balance system. On the basis of their assessment, they receive reward, which enhances their loyalty and effectiveness. This will ultimately give benefits to performance of the banks.

Keywords: Employee capabilities, talent management, talent planning, talent retention

INTRODUCTION

Talent is defined as a person or people with a natural ability for being good at a particular activity. Talent is the primary driver of any successful company and it has become increasingly evident to most business owners and executive teams that, companies rather than being controlled by capital, are typically most controlled by talent (Abell, 2005). Organizations such as government agencies, banks and other similar institutions, appear to be significantly lacking in their use of talent management practices. The new reality is that jobs are present even in downtimes but talent is always rare. Organizations worldwide face formidable talent challenges. The ability to attract develop and retain a needed supply of critical talent is a challenge facing all organizations. Despite millions of unemployed workers there is a severe shortage of talent: bankers to teach the next generation of banking, health care professionals of all strips and design engineers with deep technical and interpersonal skills.

Talent shortages are increasingly becoming one of the biggest human resource concerns for multinational corporations (Avedon and Scholes, 2010). Corporations have learned that, depending on business strategy and challenges faced, at any given time the need is for the right talent to execute the strategy or deal with the challenge (Backus *et al.*, 2010). Thus, organizations

interested in maximizing productivity and effectiveness adopts systematic and rigorous approaches for attracting, selection, development and retention of talented key employees (Barlow, 2006). There are several challenges that have to be faced by new employed bankers. For instance, at the time of hiring an individual for the post of Management Training Officer, top management only discuss the broader aspects of banking sector but when he/she starts his/her work he/she is assigned most likely on clerical type of job. Routine job ultimately cause high turnover, which cannot be seen publically announced because every organization keep its turnover ratio. Apparently, talent management is not a curial problem but in real means it is a big issue in banking sector of Pakistan that talent has not been employed strategically. Therefore, this talent management issue in banking sector should be addressed.

Therefore, there is a need to explore the talent management strategies for private sector banks; their effects on the competence and performance of employees; the deficiency in the available talent and to make suggestion for its improvement.

Business researchers have conducted several studies to explore the importance of talent and talent management. It is also needed that importance of talent may be studied with reference to banks that are in dire need of talent. The objective of this study is to analyze

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employees' competencies and to develop the talent management strategies for private sector banks in Pakistan. This study would also explore the significance of talent management strategies for improving the performance of employees in private sector banks.

LITERATURE REVIEW

Talent is defined as a person with a natural ability for being good at a particular activity (Reference). The talent management concept demonstrates the certain conditions to certain persons. According to the Chartered Institute of Personal and Development (Baruch, 2006), the talent management is essential to each person who belongs to the workforce and who can immediately develops an optimistic impact to exploitation of organization, or each person affirms the ability to generate a corresponding impact at many positions in the adjoining outlook (Reference). There is no single or universal contemporary definition of "talent" in any one language; there are different organizational perspectives of talent, According to Balkundi and Kilduff (2006) definition of talent tends to be specific to an organization and highly influenced by the nature of the work undertaken. A shared organizational language for talent is important for common understanding. There is high level of influence of management consultants in the development of the term in managing people with unique knowledge and skills. All the firms that conveniently and calmly affirm talent management segregate workforce and speculate improvement in the endowment of immense potential persons. In this current research study researchers have followed "If talent management is executed correctly it can have a strategic impact on an organization. Good talent management involves four basic steps like "attracting, developing and retaining" talent".

CONCEPT AND DEFINITIONS OF TALENT MANAGEMENT

The concept of talent management is very important from last ten years. The role of talent management is understood by management, that key to success is the successful implementation of potential talent (Benson, 2006). Consequently, from then now the notion of talent management has expanded the significance and accomplishes the concentration in the literature for the industry practices. Researchers had confirmed the importance of talent management in current era of competitiveness (Bersin, 2010). The increasing focus on talent has spread from knowledge-intensive organizations to wider segments in the labor market. Since 1997, when the consultancy firm McKinsey suggested that the global war for talent is becoming a critical driving force in corporate competitiveness and performance, the notion of talent

management has become increasingly popular (Billett, 2001).

However, there is no consensus regarding the definition of talent and there are no clear conceptual boundaries of talent management (Bryan and Joyce, 2007). In the literature, the concept of talent management is generally ill defined or is defined inconsistently in terms of outcomes, processes, or decision alternatives. The concept of talent management appears to vary widely in the world of work, but this concept is still not a well-defined area of practice that is constructed on the basis of a set of core principles (Byham *et al.*, 2002).

TM Strategies in world: The significant expression "talent management" arises in the appraised literature of human resource, the important structure of research that explored and examined the connection among human resource savings and methods and managerial conclusions. In the reimbursement of these associations in research, talent management has being analytically recognized in the flow of research that is well recognized and extremely observed (Capaldo *et al.*, 2006). This ground is generally recognized as planned human resource management. Physically powerful human resource performs which are considered and have been methodically linked with workers actions (e.g., yields of employees) and governmental presentation was intended to be defined (Cappelli, 2009). Several researches conclusions show that the fake results within business, transversely businesses and several categories for exploring firm talent management (Carpenter *et al.*, 2000). The established connection among an organizations implementation of employment followed with the reward achieved to establishment the force of the connection diverse diagonally diligences (Christensen *et al.*, 2010). In universal, this research demonstrates the worth of high excellence practices of human resource with delineated that how to association can be distinct realizing on the type of business or group approaches approved from the heart of organization and its surroundings or industrial obscurity (CIPD, 2009). For instances, all the possible effort driven from the researchers in the moralized mechanisms to constitute ideas, concepts and methods of human resource and talent management (CIPD, 2011).

Hypothesis:

- H1:** The assessment of employees' existing capabilities could result in the development of better talent management strategies.
- H2:** The attraction of qualified workforce could positively affect the talent management in the private sector banks.
- H3:** The development of employees' capabilities positively affects the talent management for private sector banks.

DISCUSSION

The assessment of employees' existing capabilities could result in the development of better talent management strategies. It is not enough to attract people with high potential, there must be a planned strategy for managing their talents, which is supported by processes to retain the commitment of talented people and properly use their abilities. The ability to attract and retain high quality individuals is a key leadership challenge as the business community moves forward.

Although attracting potential candidates for business is a crucial task but placement of these individuals should be the key concern of any organization. A perfect candidate with related skills and abilities according to the job description should be hired. The story does not end here right placement of that particular candidate still is the key task.

The attraction of qualified workforce could positively affect the talent management in the private sector banks. It is clear that organizational success depends on the extent of the effectiveness of the strategy and operations. Rewards can be classified into intrinsic and extrinsic reward. There is a clear distinction between these two types. When employees are given positively valued work outcomes in work setting is called extrinsic reward whereas intrinsic rewards are outcomes that employees received for the performing of the task (Cohn *et al.*, 2005).

CONCLUSION

This study provides benefits to the banking sector for enhancing their innovation and creativity and ultimately organization performance increases. Customer satisfaction increases through innovate and quality products. Talent management and HR practices affect the employee's capabilities in the organization. It is clear that continuous supports from the talent management will be a key strategic requirement for facilitating the knowledge management activities in the firm. Efficiency of the organization can increase when organization has proper check and balance system. On the basis of their assessment, they receive reward, which enhances their loyalty and effectiveness. This will ultimately give benefits to performance of the banks.

Managerial implications: A positive sign of satisfaction of the job related to issues of source provision; sufficient parking; wage, benefits and pension planning. Therefore, aspects other than education, knowledge, age, income present service possession and total telecoms period, were more significant on the usually low rate of comfort and a little bit elevated rate of turnover intention. The research can determine that the merging and possession itself had the biggest effect on low comfort and usually

elevated turnover motives. What is worth noting is that workers are not extremely satisfied with their company or the latest partnership of these two large companies. Based on the research, being combined or obtained has a persistent, adverse effect on every element of how a worker opinions his company. It is presumed that this possession/ merger undermines a workers reaction about the company and assurance in its future and will immediate workers to abscond the company. When workers are not pleased, negative behavior and actions are showed through difficult connections with colleagues, low work performance and loss of efficiency and business dedication. Companies need to assess and assess the exterior aspects that impact comfort in order to effectively address turnover.

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