

**PART 1**



# **THE TALENT MANAGEMENT CONCEPT**

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# 1

# Talent Management Defined

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## Learning objectives

This chapter provides an introduction to the topic of talent management and gives the reader an insight into the underlying philosophy and applications. This chapter should enable you to:

- Gain a preliminary understanding of talent management and the historical development of the concept.
- Get a preliminary understanding of the talent management literature and the sources to enable you to do further reading.
- Understand the research agenda that underpins the topic and be able to source academic reviews of this topic.
- Gain a preliminary understanding of talent management processes in hospitality and tourism organisations and consider the advantages of using the approach.
- Prepare yourself for further reading and debate to help with your development of an understanding of the talent management process.

## Introduction

The concept of talent management is not new, and it remains a popular and contemporary concept in hospitality and in wider research fields because of its importance for both individuals and organisations. Talent management is regarded by some commentators as one of the most critical and challenging issues that helps the development of hospitality organisations in the global arena (Cappelli and Keller, 2014). Since the hospitality industry is highly people intensive, the management of talent is a critical factor. Talent in the sector generates high financial performance and also helps to attract new talent to an organisation which adds value to the organisation (Cheese, 2010). It is also argued that it is the talent in organisations that helps them to achieve competitive advantage (Brown *et al.*, 2004). It involves in the simplest form of fitting the right people with knowledge and expertise to the right organisations in order to maintain business success.

There is a wealth of research from the hospitality field on the topic of talent management. This was summarised by Kichuk *et al.*, (2014b) and includes Lashley *et al.* 2007; Baum 2008; Hatum 2010; Steward and Harte 2010, for example, and we will review this in more depth later in the chapter. It is recognised, however, that there are many areas for research and debate that can be pursued. Researchers still debate what actually constitutes talent management. Overall, talent management research to date has focused on the attraction, selection, development and retention of talented individuals, although new research on personal career progression is also starting to develop.

## What is talent?

It is important, before we consider the world of work, to think about how we use the word 'talent' in normal language. We can see below the definitions and explanations from the *Oxford English Dictionary* and it can be seen that in normal language we think of talent as being a natural or innate ability. It is also interesting to note that used in an informal way, the term has overt sexual connotations and links to the physical attractiveness of people. This could lead to potential problems when we adapt the term to the organisational context, because individuals may still think of 'talent' as meaning attractive at a subconscious level. Other terms also arose in the twentieth century which referred to talent as people, one example being the term 'talent scout' which refers to a person who hunts for talent, usually in the sporting or entertainment world. Recent programmes such as *Britain's got Talent*, have also encouraged the idea that talent is all about special skills and qualities, such as singing or dancing, and the concept of celebrity judges and TV audiences judging amateurs in this type of talent show have been hugely popular and copied in most developed countries across the world. This has led many people to associate the term talent with either sport or entertainment. In the world of hospitality, which is increasingly about standardisation or scripted service encounters or following procedures, the question is "does it really need creative 'talent'?" It may need it but does it think it needs it. Or are they just using this term because it makes *human resources* sound more 'modern'?

### Illustration - the definition of talent

**Natural aptitude or skill:** *He possesses more talent than any other player, She displayed a talent for garden design*

**People possessing natural aptitude or skill:** *I signed all the talent in Rome. Simon is a talent to watch.*

**British informal** - *People regarded as sexually attractive or as prospective sexual partners: Most Saturday nights I have this urge to go on the hunt for new talent*

Source: Oxford English Dictionary online. Accessed 23/8/16

The term 'talent' started off as a term to describe the characteristics of people, but in more recent times it has been used to refer to people who have special skills and abilities. It is important when we start to apply the term to the business world to understand the background to the term and think about the underlying concepts that underpin the newly developing field of talent management.

## Definitions of talent management

The concept of talent management has a variety of meanings both theoretically and in practice. Talent management is a practitioner-generated term, covering a range of long-standing HRM practices that aims to put the right person into the right job, and at the right time (Cappelli and Keller, 2014).

The term has escaped a standard definition, and nearly every academic research article on the topic begins with the debate over the conceptual boundaries of the term (Collings and Mellahi, 2009, Kichuk *et al.*, 2014b). For example:

Lewis and Heckman (2006: 139) note the "*disturbing lack of clarity regarding the definition, scope and overall goals of TM*".

Collings *et al.* (2009: 1264) argue that "*the concept of TM is lacking in terms of definition and theoretical development and there is a comparative lack of empirical evidence on the topic*".

Gallardo-Gallardo *et al.* (2013: 291) conclude, "*it appears that TM can mean whatever a business leader or writer wants it to mean, since everyone has his or her own idea of what the construct does and does not encompass*".

Academics and practitioners agree that talent management constitutes one of the key challenges for organisations worldwide, due to the fact that it can represent a source of sustained competitive advantage in the dynamic and volatile market environment of the 21st century (Collings and Mellahi, 2009; Farndale *et al.*, 2010, Kichuk *et al.*, 2014b). It is not a new area of study, its beginnings largely attributed to McKinsey and Company, who first introduced the term in their report *The War for Talent* (Michaels *et al.*, 2001).

There is a tendency in the talent management literature, however, that the majority of publications do not offer a formal definition of its concepts, due to ambiguity and unclear conceptual boundaries (Lewis and Heckman 2006; Huang and Tansley 2012). However, in order to understand the complexity of the concept of talent management, it is essential to consider some definitions as follows:

According to Hugles and Rog (2008: 746):

*"Talent Management is a multi-faceted concept that has been championed by HR practitioners, fuelled by the war for talent and built on the foundations of HRM. It may be viewed as an organisational mind-set or culture which employees are truly valued; a source of competitive advantage; an effectively integrated and enterprise-wide set of sophisticated, technology enabled, evidence-based HRM policies and practices."*