

A Study on Emerging Trends and Challenges of Talent Management in Banking Sector with Special Reference to Pune City

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1.0 Introduction

1.1 Description of Phenomenon –

Talent management is a professional term that gained popularity in the late 1990s. It refers to the process of developing and fostering new workers through on boarding, developing and keeping current workers and attracting highly skilled workers at other companies to come work for your company. Talent management in this context does not refer to the management of entertainers. Companies that are engaged in talent management (human capital management) are strategic and deliberate in how they source, attract, select, train, develop, promote, and move employees through the organization.

Talent management

The term talent management means different things to different people. To some it is about the management of high-worth individuals or "the talented" whilst to others it is about how talent is managed generally - i.e. on the assumption that all people have talent which should be identified and liberated. This term is usually associated with competency-based human resource management practices. Talent management decisions are often driven by a set of organizational core competencies as well as position-specific competencies. The competency set may include knowledge, skills, experience, and personal traits. Talent management is the recruitment, development, promotion and retention of people, planned and executed in line with our organization's current and future business goals. Because it is aimed at building leadership strength in depth, it creates flexibility to meet rapidly changing market conditions. A structured talent management process will systematically close the gap between the human capital an organization currently has and the leadership talent it will eventually need to respond to tomorrow's business challenges.

Talent management implies recognizing a person's inherent skills, traits, personality and offering him a matching job. Every person has a unique talent that suits a particular job profile and any other position will cause discomfort. It is the job of the Management, particularly the HR Department, to place candidates with prudence and caution. A wrong fit will result in further hiring, re-training and other wasteful activities. Talent Management is beneficial to both the organization and the employees. The organization benefits from: Increased productivity and capability; a better linkage between individuals efforts and business goals; commitment of valued employees; reduced turnover; increased bench strength and a better fit between people's jobs and skills. Employees benefit from: Higher motivation and commitment; career development; increased knowledge about and contribution to company goals; sustained motivation and job satisfaction.

In these days of highly competitive world, where change is the only constant factor, it is important for an organization to develop the most important resource of all - the Human Resource. In this globalize world, it is only the Human Resource that can provide an organization the competitive edge because under the new trade agreements, technology can be easily transferred from one country to another and there is no dearth for sources of cheap finance. But it is the talented workforce that is very hard to find.

Talent signals an ability to learn and develop in the face of new challenges. Talent is about future potential rather than past track record. So talent tends to be measured in terms of having certain attributes, such as a willingness to take risks and learn from mistakes, a reasonable (but not too high) level of ambition and

competitiveness, the ability to focus on 'big picture' issues, and an awareness of their own strengths, limitations and impact on others.

1.2 Research Objective

1. To study the emerging trends of Talent Management in private Banks comparing with public Banks.
2. To analyze the challenges of Talent Management in public Banks comparing with private Banks.
3. To identify the need of Talent Management in banking industries to cope up with E-Age Technology.

1.3 Research Questions

1. What are the trends of Talent Management in banking industries?
2. What are the key challenges of Today's banking environment?
3. Is there any need of Talent Management in banking industries?

2.0 Literature Review

Any organization needs to have a vision and a well defined strategy on hiring for the further. We should have the right talent to attract and retain the best available talent for which a number of measures for Talent Management are required. (KARTHIKEYAN, 2007)

Emphasis has been paid on initiatives that can be put in place to help organization to retain and nurture the talent. (PANDIT, 2007)

The fundamental aspects about the definitions of human resources have been discussed and planning of new models has been discussed. The need to disband the conventional school of thoughts about organizational behavior has been advocated and a new approach has been suggested for HR (ANANDARAM, 2007)

The strategic development of Talent by **William J. Rothwell**

"Rothwell ignites the imagination, expands the possibilities and offers practical strategies any organization can use to effectively develop, retain and utilize talent for the benefit of an organization and enter the fluid, flexible future. Managers at all levels will cheer the saintly Rothwell suggests."

The Talent Management Handbook- creating organizational excellence by identifying, Developing and promoting your best people by **Lance A. Berger**.

"This is an outstanding reference work book that explains a simple and practical approach to the identification, assessment and management of talent in the current, dynamic operating business environment. The book plainly gives advice on how to avoid high staff turnover poor, morale and poor performance.

News Letter:- **Sriiddar S. Preetham** (July, 2008), management talent, HRD Newsletter, Vol 23 issue-4. Focusing on the challenge of attracting and retaining talent faced by Indian HR-Managers, the article outlines initiative that can be put in place to help organization retain nurture and retain the talent.

JOURNALS-

Karthikeyan J. (May 2007), Talent Management Strategies. NHRD Journal, Hyderabad. P 23-26.

Organization need to have a vision and a well defined strategy on hiring for the future development. We have the right talent within to attract and retain the best available talent? A number of measures for talent management are suggested.

Pandit Y V L (May, 2007), Talent retention strategies in a competitive environment, NHRD Journal, Hyderabad, P 27-29

Focusing on the challenge of attracting and retaining talent faced by Indian HR Managers, the article outlines initiative that can be put in place to help organization retain nurture and retain the talent.

Rambabu Pentyala (March 2010) Talent Management Metrics: Vitamins for organizational success, JIDNYASA Research Journal. Pune. P. 21-30

He concluded with Talent Management often times referred to as Human capital Management is the process recruiting, managing, assessing, developing and maintaining an organization's most important resource –its people.

Talent Management processes is typically found in numerous part of an organization. Thus, many organizations struggle align there Talent Management under one cohesive strategy. It may be considerable challenge to make this happen suddenly companies are realizing that they need a more active strategy in leveraging , growing and finding the talent in there organization. Simply training employees or running the annual performance review isn't enough to ensure that your employees can meet your corporate business strategy.

Talent Management and HR professionals are constantly saying they want to be business partners, but they are unlikely to meet that goal unless they become more “business like.” That means they must learn to utilize the tools that sales, marketing, supply chain, quality control, customer service, and finance have successfully used to build their credibility.

R. Bhaskaran. Chief Executive Officer, Indian Institute of Banking & Finance (July-Sept 2010), Talent Management in Banks, Bank Quest, The Journal of Indian Institute of Banking & Finance, vol 81/No. 3, page 45-51.

According to him Indian banks have posted impressive growth in the recent years. In terms of over all business, number of branches, ATM's and staff the public sector banks and RRBs lead the pack, whereas in terms of productivity the foreign banks and private sector banks have taken the lead.

In the recent years, the face of the public sector bank has changed one of the strongest arguments for talent management is that banking industry is heavily into customer service and talent management could be the differentiator when it comes to being a preferred band.

10th Bank HR Conference 2010,

Session- II: Talent Management

Namita Bangera (April 2011), Managing Innovation in Talent Acquisition as a process is practiced by most of us HR people, Resources for the process are same, hence the question arises- do we really need to innovate the process of talent acquisition/ If the answer is yes, then what are the innovative techniques? Acquiring the right talent that suits the profile and organization culture couple with the ability to survive for long is no cup of tea.

Rationale of the study

The ‘talent’ in an organization refers to the current employees and their valuable Knowledge, skills and competencies. Talent management (or succession management) is the ongoing process of analyzing, developing and effectively utilizing talent to meet Business needs. It involves a specific process that compares current talent in a department to the strategic business needs of that department. Results lead to the development and implementation of corresponding strategies to address any talent gaps or surpluses.

Talent management for the HR Community is a priority of the HR Strategy. Not only does the HR Strategy support the HR Community as its own professional group, but it also recognizes and will support the role human resource professionals have to help their clients become skilled, committed and accountable public servants. The implementation of a talent management process that is transparent and equitable is expected to create an environment for people to develop their skills in preparation for a range of future possibilities thereby preparing the workplace for changing roles. The goal of this process is to map the business needs of the HR Community with the potential and career development needs of our people in order to develop a comprehensive Talent Management Plan.

3.1 Scope of the study

The study shall be carried out in Bank within Pune city only.

Private Sector- ICICI Bank, HDFC Bank, Axis Bank, Kotak Mahindra Bank

Public Sector- Bank Of Baroda, Bank Of Maharashtra, IDBI Bank, Canara Bank, Dena Bank, Central Bank Of India.

3.2 Reason for selection of the topic

Curiosity is the basic drive for a lot of things in life. Curiosity over a particular thing induces interest which in turn induces the human mind to learn more. I have embarked on this study with such a kind of motive.

4.0 Research Design

The research design for this study will be descriptive and want to utilize a multi-method approach. Quantitative data as well as Qualitative data gathering methods required to collect the data. This design is selected as it is a way to collect data in order to answer questions.

A. Data Sources: - This research work require both type of data

a) Primary & b) Secondary

a) Primary Data: - @ primary data can be collected from different method like Survey method using Questionnaires.

b) Secondary Data: -

@ Published Material- 1. Books

2. News paper

3. Magazine

4. Journals

5. Government Reports

@ Computerized Database- 1. On line data

2. Off-line data

Ex- companies database

B. Sampling design (sampling plan) –

@Sample Size –Appropriate sample size shall be selected so that there is sufficient representation from bank employees.

@Sampling Technique - Systematic random sampling is proposed to be used for the study.

5.0 Methodology for analysis:

Data Analysis follows three steps. One the data is gathered. There is data reduction (selecting, focusing, simplifying, abstracting, transforming) data display (organized, compressed) and conclusion drawing, verification. With this in mind, data will follow a process of transcription, coding, analysis and presentation of result.

The process will include collecting data (observation, interviews, etc.) which will be coded and then presented. Before analysis I need processing of data which include Editing, Coding, and Classification, Tabulation of the collected data to make it useful for analysis.

6.0 Observations & Findings

1. Present Scenario of Talent Management

Private sector

Talent Management is top priority for private sector banks.

Talent is identified by competency

Public

Talent Management is not the top priority for public sector banks.
Talent is identified by Results

2. Talent Acquisition

Private sector

There are different sets of recruiters at different stages for acquiring talent.
Department Head is responsible for recruitment.
Department Head is responsible for development of employees.

Public

Different sets of recruiters are not present at different stages.
HR Staff is responsible for recruitment.
Department Head is responsible for development of employees.

3. Talent Management Initiative

Private sector

More Rewards are given.
Working with employees to develop individual career path
Creating a culture that makes employees want to stay with the organization.

Public

Rewards are given less comparatively.
Providing Training
Creating a culture that values employees work.

4. Talent Retention Initiative

Private sector

Retaining current potential.
Compensation is based on performance.

Public

Aged work force is present, so retention initiatives are not present.
Compensation is fixed for both performers and non- performers.

6.1 Conclusion

Private Sector Banks.

- 1 Young Talent is dynamic; but they need good opportunities to explore themselves.
- 2 Organizations should focus more on potential of the employees, for practicing effective Talent Management.
- 3 There should be fast track route available for talented candidates so that they can pursue their carrier goal.
- 4 There should be an unbiased, reliable way to identify talented employees and also programs should be conducted for retaining those employees.
- 5 Strength of the employee should be identified so that it can be used efficiently
- 6 There should be a clear cut talent strategy in an organization, which is to identify high potentials to develop. Also a congenial work environment should be maintained to constantly motivate talent holders to retain them.

Public Sector Banks.

1. Care should be taken for candidates' skills during recruitment; it should not be based only on entrance exams.
2. Competition should be created between employees and rewards should be given for extra talent.
3. Job rotation and promotion should be given on the basis of performance.
4. Equal platform should be provided for all candidates to perform and encourage career growth for the potential.
5. Talent management initiatives should be more.

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