

MANAGEMENT-HUMAN RESOURCE

Talent Management

**English
Version of
La gestion
des talents**

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DUNOD

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Introduction¹

The winter of 2009/2010 was a long one for many, because in these days of global warming, the French found it challenging to cope with a ‘normal’ winter. Every day, the newspapers added their share of bad news about the country’s finances, economy and double-figure unemployment rate. Sitting at the back of a smoke-free café, a recruiter lamented over yet another missed opportunity: recruitment was getting more and more difficult. Because of the time taken to reach a decision, his customer – the company – had once again lost out on recruiting a young network specialist who had just accepted another offer elsewhere. In this highly specialised segment of the market, there was an all-out talents war. Recruiting companies have to make up their minds every bit as quickly as buyers of apartments in the most sought-after areas of Paris. The talent war is on, but it is a silent war because it does involve the kind of large numbers that would allow us to forget the unemployment figures. But it does affect those rare group of people blessed with skills vital for certain activities. It’s not easy to attract talent!

Just a few miles away, a CEO tells me about one of his talented managers. When this apparently-ordinary young graduate began work on an internal audit, it became clear that she had an extraordinary skill, not only due to her technical expertise and business-

1. We would like to thank Etienne Normand for his attentive re-reading and valuable advice, and Maryse Laigle for her support and ready assistance at every stage of writing this book.

sector knowledge, but as a result of her rare ability to manage a team. So now, at the age of 29, there she is as Financial Director of a major bank subsidiary. Intrigued by such an amazing level of talent, I arrange a meeting to find out more her how she works. Imagine my surprise when I come face to face with a young person who is embittered and cynical about her company. What she says is completely at odds with what her admiring CEO told me. In fact, she says that I should have no illusions about her promotion, because having heard the bank chairman insisting on the need to improve diversity and gender equality, she is in no doubt whatsoever that she was promoted... simply to improve the gender statistics. It's not easy managing talent!

At around this time, the head of a big services provider attending a city dinner hardly has time to utter the name of his company before being pounced on by the other diners, keen to take him to task – whether ironically or in a false spirit of “helpfulness” – about the problems they have had with one of his call centres. Finally able to take heart from the good experience related by a diner at the other end of the table, he begins to realise just how difficult the job of a call centre operator might be, but more importantly, he appreciates the talent shown by a limited number of team managers who can channel this thankless job to create torture or a beautiful human experience. It's not easy to spot hidden talent!

What these three stories have in common is that they all put talent at the centre of company concerns. It is this rare combination of rare skills that is such an important factor in success, which no doubt explains why the notion of talent is gradually permeating the world of human resources. Some see it as a fashion, others as a revolution that is profoundly transforming a human resource management style that has lost its footing in the quicksand of *process* and technocracy.

It is the people in the first scenario who are right: the term talent is spreading. If you have any doubt, just look at the “Human Resource” sections of most large company websites. But when a new fashion emerges in ideas and management, it is rarely because a genial guru or visionary professor (if such a thing exists) has caught a glimpse of the Holy Grail that is the oh-so elusive goal of

managerial success. Fashions emerge because at a given moment the notion of “talent” is seized upon by many people as a possible key to unlocking solutions to new problems.

But the second group of people are also right, because a talent-based approach can profoundly question today’s human resource management practices. These practices involve abandoning an overly bureaucratic vision of the job, and putting people and strategy at the heart of the management issues.

So a plague on the cynical irony of those who recognise the value of fashion only in terms of skirt length or tie colour; and a plague on the naïve optimism of those who get excited about any idea that only someone of their ignorance could find novel. Perhaps it is time for a positive and reasonable approach which questions the meaning behind the emergence of this notion of talent, the possible contribution it might make to resolving practical issues and how it can be used in ways that don’t come back to haunt us later.

It may be standard practice to say that life is changing profoundly in companies all over the world, but it is more difficult to arrive at a clear view of how today’s changes will transform managerial practices. Demographic upheaval, changing attitudes, the new economic balance of a multi-polar world, climate change... the list goes on and on, and over the coming decades, historians will be able to assess their true importance. Nevertheless, the challenges for human resource management are real and have been further exacerbated by the violence of the global crisis. Given the extent of the adjustment and transformation required, no one can believe that the social function of the company can be the strongest defence against painful restructuring. The truth is that the social function is more about doing right by the present and preparing for the future. So will the notion of talent help us to cope better with challenges? That is the first question that this book attempts to answer.

Talent would be meaningless if it were just a new way of dressing up traditional practices. Many companies are moving beyond simply paying lip service to this enabling and positive term to introduce new practices built around talent management. Nevertheless, companies sometimes differ in their definition of talent: some see it

as exceptional performance, whilst others think of it as potential for change. Some think that talent is restricted to a minority, whilst others believe that everyone has an inner talent that simply needs to be discovered. Depending on which of today's 'new' management practices you look at, talent is becoming either a highly sought-after quality, a philosopher's stone to be guarded, a resource to be developed or a key strategic asset. So what is the full range of current practice in terms of talent? That is the second question that this book attempts to answer.

Although admittedly transient, talent will never be just a concept. It interprets the expectations and representations of an era. Given the speed at which the notion is advancing in communication, education and the discussion that surrounds human resources, it is clear that it will leave its mark on the eventful history of management. According to Peter Drucker, management is not a science of progress that accumulates knowledge over time and leads towards a single truth. It is rather a science of delving deeper and repeatedly confronting the mystery of individuals and their behaviour. Talent will therefore never deliver efficiency: only its effective use will allow us to address the human issues faced by our organisations from a new and productive angle. What then would be the right way to use this notion of talent? That is the third question to which this book offers routes to possible answers.

So in Chapter 1, we stand back to explore and consider the possible origins behind the use of the term "talent" in the context of management practices. Despite our insatiable appetite for new concepts that we hope will reinvent our management methods, we must still question the meaning of these new words when they appear so prevalent.

In Chapter 2, we review a number of the current challenges facing human resource management, which outline a more relevant framework within which to interpret the emergence of this notion of talent. Demographics, the needs of business, the need to take greater account of people, the control of organisations and, of course, the global economic crisis form the five levels of challenges that undoubtedly explain the successful emergence of the notion of talent.

Chapter 3 locates talent more accurately within the history of the many concepts generated by human resource management to interpret and organize human activity. Without doubt, the interest in talent is linked to today's criticism of excess measurement¹, because talent is more about description than measurement. This chapter also puts forward a model to accommodate the notions of aptitude, classification/qualification, competence and talent (the ACCT model).

In Chapter 4, we put forward a global view of the notion of talent which suggests not only elements of definition, but also points of comparison with the very closely related notions of competence and potential. The general model of the talent management practices offered in this chapter is based on the definition of talent as a *rare combination of rare skills*.

The next three chapters address the three levels of talent management practice prevalent in companies today. Chapter 5 deals with attracting, recruiting and retaining talented people. These are standard approaches on the basis that management needs talented people and will be more effective WITH talented people.

Chapter 6 looks at the development, recognition and comparison of talented people, i.e. the management practices that focus specifically on talented individuals. It therefore involves management acting ON these talented individuals to develop their capabilities. Chapter 7 completes the picture by presenting all the approaches designed to put talent at the heart of strategy in practical ways that will enable effective management BY talented people.

The former HR professionals of BSN (which later became Danone) formed an association called "Avec et Par" [With and By]. The structure we propose simply adds one proposition to this excellent name (With, To and By) by adding the word "To" which may be a little provocative, but will undoubtedly help the readers' comprehension of the cautionary practical recommendations made in the final two chapters.

1. Supiot, A., *L'esprit de Philadelphie*, Seuil, 2010.

TALENT MANAGEMENT

Chapter 8 highlights the step changes that the notion of talent can make to the traditional approaches of HRM. These step changes are far reaching and raise some very pertinent questions, because as readers will appreciate, they are not all necessarily positive. This is the reason why Chapter 9 summarises the preceding chapters as a series of possible talent management outcomes. Some are counter-productive and pose a number of potential problems if not addressed; others are benign and potentially fruitful.

It is, of course, the use that human resource professionals make of talent that will determine the true value of talent. When you hit your finger with a hammer, it is never the fault of the hammer, but when you drive a nail in soundly, it is only partially due to the tool itself.

Talent and human activity

Thus far, the notion of talent has been presented in terms of alternative meanings, but it can also be understood from a more pragmatic viewpoint and located within the continuum of the practical concepts of which it forms part. Indeed, talent forms part of the succession of key notions that has enabled HRM to operate over the past thirty years. We should not overlook the fact that one of the key preoccupations of human resource is to identify standards that can be used to measure human activity and forecast future trends. The terms aptitude, qualification and competence have enabled this goal to be achieved. Talent marks another step in this sequence and offers responses to the HR requirements specific to today's world.

So how can human activity be described? What are the contributions and limitations of each of these notions? How does qualification lead to competence? What are the limitations of competence? Will the notion of talent supersede the notion of competence? And how do all these interact?

Section 1 ■ Concepts that describe human activity

Section 2 ■ The AQCT model: aptitude, qualification, competence and talent

Section 1 CONCEPTS THAT DESCRIBE HUMAN ACTIVITY

Human resource can be seen in two complementary ways. The first adopts a “*functional approach*” which addresses the practical implementation of HR processes (recruitment, evaluation, remuneration, salary management, training, employee relations, RHIS and HR communication, career management, social performance, etc.) and their instrumentation. The second refers to a “*behavioural approach*” focused on understanding the mechanisms of motivation, creativity, extracting value from experience and the sharing of individual skills within the groupings in which those skills interact within the organisation.

Taking account of both these aspects requires the HRD to control the strengths and weaknesses of the mechanisms deployed, and to encourage their adoption by employees. Preparing for, and achieving, this degree of forward planning is one of the key tasks of any HRD, regardless of era or management method. The work involved is all about prediction and foresight.

According to L. Boyer and A. Scouarnec¹, there are three distinct periods in the history of foresight: The first period – 1950 to 1970 – is that of the originators (G. Berger, Y. Barel and P. Massé in France, and H. Kahn in the USA). The second period – 1980 to 2000 – is characterised by the blossoming of predominantly macro-economic methods. Lastly, the authors suggest a third period, beginning in the 2000s, bringing together those who wish to use forecasting as a response to the needs of companies for efficiency. In HRM, L. Boyer and A. Scouarnec are the originators of the Occupational Foresight method, which is based on involving expert contributors in building possible scenarios to describe the occupations, qualifications, skills and talents required for the near-term and long-term future.

On this basis, L. Boyer and A. Scouarnec claim that “*forecasting occupations and adopting a forward-looking HRM posture demands in-depth consideration of ourselves and the talents that*

1. Boyer L., Scouarnec A., *La prospective des métiers*, Paris, EMS, Management et Société, 2009.

will be needed in the future... Talent foresight is simply an operational extension of occupational foresight... in today's context, promoting oneself and one's talent is becoming a valuable portfolio for survival and a guarantee for selective employability"¹.

HRM has always needed a “*standard reference*” to describe what an individual can do, does and could do. The terms classification, qualification and competence have all fed this debate (cf. table). The fact that today's insistence on the notion of talent seems unstoppable is because existing representations are simply not up to the task.

1 Aptitude

Aptitude describes what a person can do, and refers to a Taylorian concept of work in which employees are asked to carry out a succession of tasks on the basis of an operational method, without considering how the tasks involved could be linked together or the level of efficiency to be achieved. Aptitude is required for unskilled piecework and is still the norm in many countries, including China. An article published in *Le Monde* reports that temporary staff providers in China are finding it hard to recruit sufficient numbers of workers as a result of the single child policy. Factories are targeting poorly-educated young people, offering them board and lodging in exchange for a quarter of their wages (€40 to €50 per month), with the remainder being forwarded to their parents. “*The fact is that unskilled workers are paid piecework rates, so factories simply set wage levels to suit themselves. With no negotiating power, young people are resorting to the services or are opting to stay in the countryside. The model is in crisis*”².

1. *Ibid.* p 325.

2. Article dated 13/03/2010 @ <http://www.lemonde.fr>

Table 3.1 — Concepts that describe human activity

	Unit of analysis	Methodologies	Contributions	Organisational context
Aptitude	The <i>task</i> What the person is capable of doing.	Task list. Allocated work.	Segmentation of work. Comparing people on the basis of the tasks they carry out.	Manufacturing business. Labour force with few qualifications. Employees interchangeable.
Qualification	The <i>post</i> The hierarchy relative to an occupation. Individual in nature.	With reference to the post. With reference to the nature of qualification.	Principle of equality based on length of service. Comparing people using classification tables and therefore relative to posts occupied.	Business operating in a stable environment.
Competence	<i>Knowledge, expertise and interpersonal skills</i> Individualisation of HR, based on adaptation and employability.	With reference to a collective benchmark. Forward-looking overall approach that adjusts resources and skills needs. Legalisation (agreements).	Principle of individualisation, but applied collectively. <i>“everyone has skills”</i> . Comparing people using benchmarks and skills acquired.	Business operating in an uncertain environment that requires a high level of employee adaptability.
Talent	<i>Rare skills</i> Sought-after skills. Rare combination of rare skills.	Identification of atypical individuals. Appreciation of difference.	Principle of hyper-individualisation. Attracting and retaining the best people; those with something different to offer and the ability to add value. Valuing individuals on the basis of their individuality.	Business operating in a highly competitive environment, continually pursuing innovation and differentiation.

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Talent Management

- FINANCE
- ACCOUNTING
MANAGEMENT CONTROL
- MANAGEMENT
HUMAN RESOURCE
- MARKETING
COMMUNICATION
- LAW FOR
BUSINESS
- CORPORATE
STRATEGY
- INDUSTRIAL
MANAGEMENT

Talent Management could very soon replace traditional Human Resource Management within companies. This book explores this new concept and questions the progressive drift from one notion to the other. Talent is a unique combination of various outstanding skills. Companies are doing their best to attract, retain and make talents effective in the turbulent context of business in a global economy. The book provides the cultural and business context of "talent". After exploring what talent management concretely means in terms of policies and practices, the HR professional and the scholar will have a clear picture of the potential opportunities and limits of talent management.

Public :

- Students in HR from Bachelor to Master degrees
- Students in Business and Management, MBA and Executive MBA
- HR Managers

This book is
the English version of



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