# Managing Talent

Billy Adamsen • Stephen Swailes
Editors

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## Understanding Critical Perspectives

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*Editors*
Billy Adamsen
Talent Lab, Zealand Institute of
Business and Technology
Slagelse, Denmark

Stephen Swailes
Huddersfield Business School
University of Huddersfield
Huddersfield, UK

# Acknowledgements

The inspiration for this book came at the 5th EIASM Workshop on talent management held at Copenhagen Business School in 2016. In particular, we wanted to appreciate more critical perspectives on talent management in contrast to the steady flow of mainstream articles and books on the topic. For some years we had been thinking about more nuanced and more philosophical understandings of talent management and were delighted to have the opportunity to collaborate. Across our careers in organizations we have seen talented individuals rise and fall, seen average performers treated as if they were special, and seen undoubtedly talented colleagues held back and frustrated by indifference, power plays, and politics. The opportunity to reflect on our experiences and our approach to the field is most welcome. We are particularly grateful to Lucy Kidwell of Palgrave Macmillan for her advice and support throughout the production process and to our partners, Anne and Elizabeth, for their patience while we prepared material for the book. Most of all we would like to thank all the authors who have contributed to this book for their understanding and cooperation in responding to our comments and deadlines.

# Contents

# Notes on Contributors

**Billy Adamsen** is an assistant professor at the Zealand Institute of Business and Technology, Denmark. He has published several books and papers on a variety of subjects including sport management, talent management, management, cognition and media, politics and media, the psychology of language, and the effect of new media. In addition to his academic experience, he has for years worked as a manager and director within different national and international companies within business and sports and been an advisor for the Danish Prime Minister and Minister of Economics and Business Affairs. His book, *Demystifying Talent Management: A Critical Approach to the Realities of Talent Management*, was published by Palgrave in 2016.

**Sunday Adebola** holds a PhD from the University of Huddersfield. His research examined how private sector organizations evaluate talent management and he is completing training in preparation for a teaching career. Prior to starting his PhD, he worked in the private sector where he worked on setting up and managing a small-scale enterprise for an ethnic minority group in the UK. His research interests are in the areas of talent management, cross-cultural management, and organization behaviour.

**Torben Andersen** is an associate professor in the Department of Economics and Business Economics at the University of Aarhus, Denmark. His research interests include the Nordic welfare model and labour market economics. He is a regular policy advisor in Denmark and is a fellow at international research

centres in London, Bonn, and Munich. Andersen has written several books and published several papers about talent management and HR in international journals.

**Denise Holland** has for the last 30 years worked in the telecommunications, medical device, localization, and management consulting sectors where she gained considerable international and cross-cultural experience. She has managed several functions including business development, operations, quality management, HRM, and global vendor management. In 2011, she was awarded a Masters in Industrial Relations and Human Resource Management at National University of Ireland Galway. She holds a PhD in 2015 on talent retention. New to the world of academia, she lectures at NUI Galway in the areas of international human resource management (IHRM), cross-cultural management, and global business and HR in context. She is a chartered member of Chartered Institute of Personnel and Development (CIPD) and a certified quality auditor to ISO 9001:2015 and holds certifications in psychometric testing.

**John Lever** holds a PhD from the University of the West of England. He is a senior lecturer at Huddersfield Business School. Before embarking on an academic career, Lever worked in fair trade at Oxfam. He previously worked in the Cities Research Centre at the University of the West of England and in the School of Geography and Planning at Cardiff University, where his research focused on sustainable communities and sustainable food systems. Lever is on the editorial board of *Human Figurations*, the journal of the Norbert Elias Foundation. He is a regular reviewer for *Sociology*, *Sustainability*, *Journal of Rural Studies*, *Geoforum*, *Agriculture and Human Values*, and *International Journal of Sociology of Agriculture and Food*, amongst others.

**Riitta Lumme-Tuomala** works in the areas of leadership, especially from the point of view of different generations at the same workplace, young potential development, talent management, and individual diversity. Based at Aalto University, Finland, she is responsible for marketing, communications, and alumni relations heading a team of seven marketing professionals. She is also responsible for the Russian business area cooperating with top Russian business schools and developing talent management and high potential concepts and programmes. She holds a Master of Science degree in Economics from the Helsinki School of Economics and an EMBA degree from HSE Executive Education. She is working on her DBA dissertation on talent management. Her work experience includes Pfizer (HRD manager), Mercuri Urval, and the International Federation of Red Cross and Red Crescent Societies.

**Stefan Quifors**   is a lecturer at Auckland University of Technology. His current research, which has a strong international orientation, focuses on IHRM and talent management within specific cultural contexts. Prior to entering academia, he spent 15 years working in senior HRM managerial positions for some of the largest MNEs in SE Asia. He researches, publishes, and consults in three primary areas: international human resource management, talent management, and value-based HRM.

**Jesper Raalskov**   is a postdoc at University of Southern Denmark. He researches in role stress, talent management, behavioural theory, and professional service marketing and teaches in human resource management, professional advisory and sales, as well as a wide range of courses in management, organizational, and behavioural theory. His extensive working experience entails, among others, several years in the financial industry—both as a key account manager and as a human resource consultant.

**Stephen Swailes**   is Professor of Human Resource Management at the University of Huddersfield, England. Following a career in research and technology, his research interests have focused on organizational commitment, vocational education, and team performance leading up to his current interests in talent management which centre on ethics and power relations. He has published over 40 papers and several book chapters and is co-author of *Organizational Change*. Stephen is an academic fellow of the Chartered Institute of Personnel and Development.

**Søren Voxted**   is an associate professor at the University of Southern Denmark. He has written several books and published a range of papers in international journals about management, first-line management, human resource management, and talent management.

# List of Figures

# List of Tables

# Introduction

Talented individuals have attracted attention for centuries because of their ability to do something that others cannot. Talent was traditionally thought of in art, music, and sport but, by the twentieth century, scholars were turning their attention to understanding what talent means in other fields and in relation to genius and giftedness. Interest in the concept and value of talent grew in business contexts and from the 1960s onwards 'talent' came to be used, albeit sparingly, in connection with organizational prosperity. Business interest in 'talent' continued to grow and, in the 1990s, the abilities of talented individuals became the focal point of a new managerial discipline: talent management (TM). The basic underlying processes are, of course, not particularly new since business organizations have been recruiting, selecting, and training people in structured ways for over 100 years. But there was something about the idea of talent that struck home. Although it had many similarities to it, this was not regular management and leadership development. The specific idea of managing talent carried a stronger focus on searching for the 'X factor', the 'A players', the 'stars', the 'superkeepers', and the special ones, among other evocative labels.

Aspects of recruitment, retention, development, performance management, and reward became integrated in the 'new' practice of talent management and an integral part of strategic human resource planning in many business organizations. Managing talent can now be considered as

a high-performance work practice in its own right, alongside others such as teamwork, decentralized decision making, and extensive communications. At a glance though, talent management looks very similar to human resource management (HRM), so what is the difference? First, we have to get around a definitional problem as the term 'talent' has multiple meanings. Classically, it captures the particular differentiating abilities that a person has in a particular field and peer group, such as being an outstanding pianist in relation to other pianists of a similar age. In this sense talent and talents are properties of individuals. Exactly what creates and enables these outstanding abilities in individuals in relation to almost everyone else we are only beginning to understand, but their effects are plain to see.

Talent has also become used as a general term for the labour force at large and is sometimes used to describe an entire workforce. In this sense it is simply another word to describe employees or personnel; it has a more modern feel to it. It is perhaps more comforting to speak of talent than of human resources, even though the treatment that people receive is the same. Talent management can therefore sometimes simply mean more or less the same as human resource management. For some organizations, it has become a euphemism for HRM which, despite its long tradition and widespread acceptance, carries connotations of seeing people more as resources to be manipulated, hired, and fired as necessary rather than as humans with feelings and emotions. It is interesting to speculate on why the use of words by organizations changes in this way and why new words replace old ones yet mean the same thing, but that is for another day.

For the purposes of this book unless otherwise stated, we are engaging with talent and talent management from a more exclusive and elitist perspective. For the most part, we engage with a mainstream working definition of talent management to mean a focus on employees, or potential employees, who are relatively high performers with relatively high potential for new assignments in the business and/or with a view to substantial promotions. They are the top few per cent, if that. So how does that differ from HRM? While talent management covers many of the same things as HRM, it focuses much more on identifying people with high potential rather than all employees. Talent management is more about selecting, developing, and deploying high-potential individuals, whereas HRM

covers a much wider range of activities including legal compliance and employee relations. Talent management aims more specifically to develop leadership capability and assist succession into pivotal roles on the basis that some roles (jobs) have a bigger impact on organizational success than others. HRM, in contrast, is concerned with managing employees across the entirety of their employment with the organization. In elitist talent schemes, individuals in talent pools experience different, bespoke, and more intensive development opportunities to the majority of employees.

Concentrating resources on a small proportion of high performers makes managerial sense on many levels. Performance appraisal distributions show that among employees on the same salary and grade, some employees contribute much more than others. Competition is tough, expectations are high, so why not identify the high performers and put them where they can do most good? These basic ideas fit easily with profit-seeking mindsets, capitalist economies, and individualistic cultures, and it is perhaps no coincidence that the impetus for 'talent management' came out of the USA about 20 years ago. That said, many profit-seeking companies have not adopted talent management, at least not explicitly, and it seems to be less attractive to the public sector.

Potential problems with and objections to an elitist approach are easily found. From a labour process perspective, it can be seen as further exploitation of a small group of individuals for the benefit of top management and investors; when their talent is spent, the individual may be discarded. The expectations on the talented to perform are raised, and this could have significant psychological effects on the winners and particularly on the losers. Despite its intuitive logic of putting high-potential people in critical roles, the evidence that talent management actually improves organizational performance is not as extensive as it might be; understanding its net effects across individuals and organizations remains a substantial challenge. There are also philosophical objections to the idea of differentiating so keenly across a workforce. These seem more likely to arise in national and organizational cultures that have traditions of collectivism, inclusion, non-differentiation, and extensive unionization which explain its varying legitimacy across sectors.

What is plain to see, however, is that talent management in all its forms has spawned high levels of practitioner and scholarly interest. We suggest though that the expanding and often very rigorous literature in the field routinely adopts an uncritical and managerial approach. Lately, researchers have questioned the abilities of talent, even the assumption that talented individuals exist in the actual world, hence the necessity of talent management (Adamsen, 2014, 2016). These questions call for further critical reflections on talent and talent management itself and what talent management as a discipline actually is. Furthermore, these questions also call for further ontological and epistemological reflections on the reality and accumulated knowledge of talent management. How is it even possible for HR managers and executives to know if the people they label as talented truly possess the attributes they are credited with? Practitioners in the field use a range of talent evaluation and selection approaches, but these are inevitably influenced by their world-views and external pressures.

In *Managing Talent: Understanding Critical Perspectives*, contributors offer a range of critical views on talent management and provide both an analytical and descriptive understanding of the reality of talent management. This should not be taken to mean that the contributors do not accept talent management or that they disapprove of its use in practice. That is not so. Rather, our aim here is to add to the talent management literature by offering some alternative perspectives that practitioners could reflect on and that scholars can use to inform future research agendas.

In Chap. 1, Stephen Swailes summarizes the history of talent in management thinking leading up to McKinsey & Co.'s influence on the creation (sociogenesis) of a talent meme that has 'infected' business organizations. Departing from mainstream rationales for adopting talent management, he discusses five reasons why top managers have been attracted to the meme. These 'strange attractors' (to use a term from mathematics) are non-rational, but at the same time they are not irrational, since each is a feature of the meme that allows it to replicate and prosper. The chapter argues that talent management is attractive not only because of the economic benefits that it might deliver but also because of features that lie within the meme. The chapter looks inside the idea of

talent management to find reasons for innovation diffusion in preference to the presumed beneficial effects that the idea has on people and organizations.

In Chap. 2, Billy Adamsen considers the ontology of talent management and the semantic emptiness of talent. From an interdisciplinary perspective that draws on methods and insights from cognition, social psychology, philosophy, linguistics, and sociology, he demonstrates how a lack of semantic clarity in talent management is a semantic emptiness and represents an ontological problem that questions the very existence of talent in the 'actual' world. The implications of the semantic emptiness of talent have created an accidental ontology of talent management and led to a significant high subjective bias and inadequacy in talent management particularly in talent recruitment causing considerable failure. He proposes a way to approach the issue of an accidental ontology and diminish the subjective bias and inadequacy in talent management by suggesting the (re)establishment of a fundamental language ascending from a rigid ontology in which talent management is causally (re)connected with the actual world.

In Chap. 3, John Lever and Stephen Swailes examine elite talent management using insights from figurational sociology developed by Norbert Elias. Figurational sociology is concerned with how networks of interdependent people change and develop over time. In relation to talent management as it plays out in large organizations, those networks include top managers, HR managers, consulting organizations, employees or potential employees deemed as talented, those not deemed as talented at a particular point in time, as well as individuals in wider socioeconomic and political networks. Talent management is not a static process, and the individuals and groups involved are constantly jockeying for attention, status, and power, with some actors being more successful than others. The chapter applies ideas of figurations to analyse elitist talent programmes in order to reveal the dynamics of power and control in particular. The chapter shows how talent management, over and above its rational foundations and explanations, can be used as a means to maintain order and to protect people in high positions from an ambitious and potentially powerful group: the talented.

In Chap. 4, Riitta Lumme-Tuomala looks at the definition and scope of 'talent'. Talent is not defined in organizations in a consistent manner which is arguably one of the factors leading to talent management failures. Defining talent is essential since it underpins talent identification, and she proposes a formula comprising three components: competence, commitment, and contribution. These components are multiplicative not additive. The three components are divided into two time dimensions (present/future) to allow the inclusion of, for example, the future (business) needs of the organization and the notion of 'potential'. This framework contributes to talent management practice since it does not limit talent definition and identification to predetermined competencies or generic descriptions but gives flexibility and possibilities for organizational context-specific modifications and design.

In Chap. 5, Denise Holland addresses the challenges of talent identification during the early stages of an acquisition process. The acquisition process is a dynamic and somewhat urgent environment, where the acquiring management team needs to balance the assessment of accurate talent information with decisions that will influence integration planning that may ultimately affect the outcome of the deal. Questions around the right type of talent, its placement, location, timing, and costs all present a challenge for acquirers who may rely on 'getting the inside track' from target executives. Getting exposure to executives can be an essential aspect of talent identification that helps to identify talent. However, some employees may be overshadowed by poor and biased executive decision making or by individuals who are better at getting executive attention and recognition during the acquisition process. This chapter includes findings from empirical research of three cross-border acquisitions involving five subsidiaries located in Europe and the USA. The research highlights the informal nature of talent identification where biased decisions at two of the target subsidiaries resulted in placing the wrong people in critical positions which delayed integration and affected post-acquisition performance.

In Chap. 6, Torben Andersen and Stefan Quifors explore perceptions of global talent management (GTM) among senior managers working for subsidiaries of Scandinavian multinational enterprises (MNEs) in South East (SE) Asia. The talent literature carries limited empirical

evidence exploring how it is operationalised and implemented in this region. There is a lack of understanding of how TM policies and programmes are perceived and applied by practitioners at all levels within MNEs. Many are formulated at top level, and knowledge about how these work in highly decentralized cultures is highly relevant and influential on their successful implementation. Using data from Scandinavian TM practitioners working in Singapore, the chapter sheds light on the main challenges that face TM practitioners and provides specific insights into the experiences, perceptions, and beliefs that subsidiary managers have of these relatively new initiatives. This different contextual perspective to TM research is important since meanings and understandings of TM differ across individuals, organizations, and social and cultural contexts.

In Chap. 7, Søren Voxted focuses on the kinds of competences and attitudes that define talent among frontline managers and argues that the position of frontline managers within the hierarchy requires skills and an approach to management that are different to the talents required of managers going for positions at the top of the hierarchy. The chapter elaborates on what distinguishes the two types of management talent from each other and, in consequence, the differences characterizing talent management programmes for talents aiming for positions at the top and programmes aimed at frontline managers. Data are reported from 25 frontline managers based on a Grounded Theory approach. Frontline managers practise leadership and deal with everyday managerial challenges in terms of (1) the managers' ability to formulate and transform strategic objectives to a new vocational practice, (2) the managers' ability to switch between 'hard' management and 'soft' management, and (3) the managers' ability to create professional communities based on the organization's core competences. Talents among frontline managers are those who are able to manage the employees' vocational practices in a way that meets the company's strategic objectives and key performance indicators.

In Chap. 8, Torben Andersen and Jesper Raalskov explore the nature of talent in frontline personnel in Danish banks. Using a highly detailed analysis, they show how the characteristics and attributes that denote talent run much deeper than standard descriptions of performance and

potential. The chapter suggests that the composition of talent will differ across sectors but the components of talent in frontline banking employees are far from obvious and are unlikely to be described accurately even by experienced leaders. The chapter cautions against broad-brush descriptions of talent and adds to the limited number of studies of what talent means in specific organizational contexts.

In Chap. 9, Sunday Adebola explores the reasons why private sector companies in the UK implement talent programmes. After summarizing workforce differentiation, institutional theory, and human capital theory as explanations for adoption, four case studies of companies in different sectors are reported. Each case company revealed a conventional background narrative of investments in human capital as the basic reason. Cross-case analysis, however, shows that in addition to the general human capital approach, institutional theory was a powerful explanation. Furthermore, each case company revealed a distinctive talent driver that shaped its particular approaches to talent development. The drivers were a desire for inclusivity in the hotel sector where large numbers of employees are in direct contact with customers, a desire to identify and fill key positions, a desire to differentiate among employees, and succession planning.

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