

Talent Management and Retention Strategies

(Looking through COVID-19 scenario)

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Introduction

‘Talent Management and Retention Strategies’ are the two faces of the HR management of any organization and both are interdependent in nature. The pandemic scenario during Covid-19 has been a detrimental factor and played a vital role economically, socially, professionally and familialy. The pandemic situation has resulted in many organization totally devastated and resulted in huge revenue loss due to non-functioning, increase in maintenance costs, less inflow of funds, erosion of capital, mounting of borrowings, escalated cost on human resource, machinery, plants and buildings etc.

The global scenario was a testing time for the industries and institutions to review the operations to optimize the operations to bring back the financial slippage on to track through new strategies and policies.

It is a real time experience to witness the new concept of ‘Work from Home’ by many IT & BT companies resorted to the new culture and planned to save recurring expenses on rental, transports, maintenance and other hospitality costs.

The human capital in IT & BT was managed well due to the continuous flow of revenue and they are not affected to a greater extent because of WFH culture. Whereas, in the production oriented institutions and industries have affected to a larger extent causing revenue and job loss or closing down of the establishments. Many lower and mid-level employees have been retrenched from the job due to revenue loss and fresh work orders. *The market for the FMCG seen a moderate turnover, whereas, the electrical & electronic goods, automobile, home appliances, textiles etc. witnessed a huge fall on demand.

**Source: India's FMCG market contracts 34% in April amid Covid-19
<https://www.business-standard.com> ›*

In the year 2021, during the month of October-November, the pandemic situation slowly subsidized, the institutions and industries are started limping back to normal resulting in huge demand for the necessities in the consumer markets. In the same way there has been a huge demand for the highly skilled employees and top management professionals in the organizations and industries for revamping the situation for scaling up the production to increase revenue. **There has been a demand for the top level intellectuals and skilled employees increased considerably many managements including service oriented institutions made an empirical study to find out the reason for such demand and planned for strategy to retention of the highly skilled and technocrats of the organization.

***Source: <https://www.educationtimes.com/article/job-trends-market-mantra>*

Objectives

This chapter aims to bring in the intricacy employment and management policies adopted by the typical management to balance the job market, full fill the demands of internal work force and to retain the most deserved in organization with an ultimate aim to get benefitted perpetually by carefully framing new policies and principles of management to manage the attrition.

The chapter on ‘Talent Management and Retention Strategies’ clearly envisions the most important measures and executions that are to be introduced in the organizations to realize benefits growth and expansion in the long run. Moreover, it address the issues and problems faced by the organization during post pandemic scenario for the better tomorrow.

Talent Management

The process of selecting a talented employee and their retention are the challenges of an organization to sustain in a dynamic and competitive environment. Today many management are adopting different modes and methods to satisfy the needs and demands of their employees but, at times it fires back for an assured guarantee of welfare measures from the management for their better livelihood and survival. In other words those managements are not having a sustained policies and principles of managing human resources tend to suffer in managing man power in a long run. Therefore, in the present scenario the time tested strategies and policies are in place to manage the human resources and hence the process of talent management are important today.

Retention Strategies

We have discussed that the Talent Management and Retention Strategy are the two faces of the same coin and both are interdependent. To achieve the desired goals of Talent Management, one need to have an institutional policy covering the welfare and benefits of the employees of the organization. The policy are the long term goals that needs a systematic approach in tune with the vision and mission statement of the organization.

The process of bringing a systematic approach towards the welfare of the employees is called as retention strategy. If the focus is mainly on the employees and their welfare will surely result in arresting attrition and the retention strategy will succeed to gain the long term goals and growth of the organization.

There are different strategies to address the attrition in an organization. They are:

1. Appreciation

Appreciation is a motivating tool for the employee. If the skills and talents of the employees are not identified, encouraged and motivated they tend to become non-productive, deadwoods and redundant. This has not been so keenly followed in yester years, but today the demand for the highly skilled and intellectuals are on the rise and there is a need to evolve a system to indentify the skills and motivate them periodically.

The science and technology is growing algebraically, if the identification of the skills and potentials among the employees' should also keep pace with the same momentum to achieve the desired goals of the organization and ensure the duty bound and committed employees are appreciated and awarded.

2. Mentoring

Mentoring is the integral part of employee development and training in an organization. It is most important factor to keep the employee highly productive and committed. The employees are need to be periodically assessed and evaluated through appraisal system to understand their SWOT indicators and analysis. About 2-3 decades ago the organization used to practice different methods of mentoring process namely; brain storming, grooming, one to one counselling as interface meetings with the heads of the sections or departments to identify the professional needs and skills of the employees.

The mentoring process has achieved with good interpersonal relationship with the employees and employers. The emotional values in the organization can be strengthened through mentoring in addition to build strong psychological bondage with the employee in addition to high productivity and loyalty, which improves their work life balancing.

4. Involvement

The term 'team' in an organization is a heterogeneous group of people with a multifaceted individuals, having different intellectuality and common approach aiming to achieve a desired common goal collectively. The team refers to the human circle with high cohesiveness, commitment, professional understanding and bondage.

The management must have a system in place to ensure the involvement of each and every employee with a paramount importance gain long term growth and success of the organization. Involvement of every employee in decision making, policy formation process, planning etc. is very important, which leads to achieve more and more involvement among the employees.

5. Trust

'Trust takes years to build, seconds to break, and forever to repair' - Amy Rees Anderson

Trust is the sustainable factor in any business organization. If the employees are not trusted, in turn employees will tend to lose trust on their employers and in the process the organization will suffer. The leaders must be trustworthy and each employee should trust the team to achieve team spirit and goals as well. The efficient leaders will build trust among the team members as internal strength and prove that their leaders have chosen for their trustworthiness not by chance as leaders, but as a choice.

6. Corporate Value & Culture

The corporate value and culture are the core characterization of the corporates, which determines the present and the future of the organization. The core values and culture includes integrity, accountability, diligence, perseverance, discipline etc. The core values and culture are the basic important factors which lead to success. The organization's vision and mission well speaks about the core values and culture, which act as founding principles of the organization.

7. Pay packets

The salary & wages and other compensations are considered as the long term strategy, which finds the employees more satisfied and committed. A well paid employee will enjoy their jobs and as a result the productivity will increase.

The important strategies like automatic periodical wage revisions, strict adherence to the principles of minimum wages Act, paying bonus well in time, reimbursement for travel expenses, leave fare concession facilities, performance linked rewards & incentives, lunch allowances, medical expense reimbursements, provident funds etc. are the components are to be considered by the organization to achieve the highest employee satisfaction.

8. Promotions

A satisfied employee is the valuable ambassador of the organization. The employee satisfaction is an important aspect, which motivates, helps to scale up productivity, reduces attrition, empowers employees and extends authority to take managerial decisions etc.

The promotion is one of the aspects which contributes to the high level satisfaction of the employees. Therefore, the timely or automatic promotions, will not only boost the morale of the employees, but also certainly increases the pay scales, incentives and allowances coupled with opportunities, responsibilities, power, accountability, authority and minimizes the attrition and contributes to the retention.

9. Involvement

Team spirit and involvement are the most important collective approaches in an organization to achieve the set goals and objectives. Involvement of the employees can be improved through inbound and outbound programs include organizing workshops, seminars, sports & cultural programmes, family get together, excursion, industry visits, encouraging proto types in science & tech expos, staff meetings. Interfaces sessions, brain storming sessions, study circle meetings, quality circle meetings group discussions, etc. helps the every employee of the organization to contribute in their own way and results in total involvement in the output process or production to achieve the desired goals.

10. Work From Home

The work from home concept evolved during the Covid-19 period helped IT & BT sectors to a larger extent and other sectors to certain anticipated expectations. The WFH concept at the initial stage was widely accepted by the employees, after it has become the stressful and tedious job for many. The reason for lukewarm interest is difficulty in work life balancing and also mixing up professional and personal life that added to the physical and mental ailments.

11. Privileges & Provisions to women employees

Privileges to women employees are the most important welfare measures and facilities that every institution have to be provided to women employees. The women employees will bring in an inspiring work culture and healthy competition, fostering teamwork, team spirit and thereby helping the company grow to its fullest potential.

12. Legal Provisions concerning employee's welfare

The following are the enactments, which provides certain protection, benefits and welfare measures to the employees. In other words, these are the legal provisions which protects the interest and welfare of employees in the organization and it is the statutory provisions which need to be in place in the organizations.

The following are the different legal provisions protecting the employees. The ultimate importance to have the legal provisions and bringing enactments is to benefit the employees with an objective to keep every employee more protected, which in turn reduce mobility or attrition.

1. The Prohibition of Sexual Harassment of Women at Workplace Act, 2013

It is an act enacted by the Government during 2013, with an objective of protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and also for the matters connected therewith or incidental thereto.

2. Women and the Labour Laws

The women and labour laws pertaining to the minimum wages determined under Minimum Wages Act, 1948. This act protects the women employees for getting wages equal to the male employees and not lessor than them.

3. The Maternity Benefit Act, 1961

The Maternity benefit Act, 1961 applies to both Government and Private Sector employees of Mining, Factories & Industry and other organizations employed more than 10 employees, except the employees covered under Employees State Insurance Act, 1948. The women employees are entitled to avail maternity leave 26 weeks maximum and not to avail 6 weeks before the delivery. The central Government male employees are eligible to avail 7 days paternal leave after the delivery.

4. The Factories Act, 1948

It is applicable to any factory where ten or more workers are working, engaged in a manufacturing process using power, or twenty or more workers without the aid of power. The objective of the Act is to safeguard the interests of workers, take care of their safety, hygiene and welfare at their places of work.

5. Minimum Wages Act, 1948

The Minimum Wages Act, 1948 is the act enacted by the central Government to ensure and make it as a statutory condition for fixing minimum wages to avoid exploitation of unorganized sector workers.

13. Health Insurance & Safety

The medicines and medical treatment has become very costly today. The worst hit section of the society are the marginalized workers and below poverty line population who cannot afford the medical expenses. Globally, it has been an experience that the Covid-19 has devastated tens of thousands lives of the people. Many have lost their lives and job due to pandemic, economical set back of the industries and service sectors.

The people could not able to manage the crisis with their resources due to the high medical cost and even scarcity of particular medicines to treat Covid patients. Therefore, health insurance has become a compulsion for everyone to cope up with the present scenario. Of course, the insurance companies are taking advantage of the situation and encashing the opportunity. Therefore, during the pandemic (Covid-19), it was mandatory for companies to provide health insurance to their employees.

In addition to the health insurance the safety of the employees are also important in an organization. The industries like fireworks manufacturing, mining, gas & chemicals, Heavy industries, health Hazardous productions and other service oriented organizations must ensure the safety at work place. The Trade Union Act, 1948 emphasizes on

organizing training programs on safety at work place and absorbing of safety week at work places for educating the employees on safety.

14. Employee Compensation

Every company or organization have to satisfy their employees in respect of compensation and other benefits. The compensation are the direct payment made to the employee as salary or wages. Whereas, other indirect compensations benefits like travel allowances, food allowances, Bonus, incentives, Leave travel allowances etc. are the motivating factor for an employee to improve their personal and social life, which in turn motivate them to perform better.

The periodical revision of wage/compensation is more imminent in any organization. The wage revision will be as per the management decisions in majority of the unorganized sectors. Whereas, in an organized sectors or in the Industry the bilateral negotiations will happen as per the settlement arrived bilaterally with the Management and Trade Unions. The DA slabs revision is not linked to the wage revision since it is based on the inflation and linked to the price index on a quarterly basis revised in the months of February, May, July, September and November of each year.

If the organizations fails to consider the revision of the compensation or wages periodically, there will unrest among the employees and lead to trade union conflicts and disputes, thereby the productivity will reduce and also the attrition level will rise parallelly. The employees tend to compare the compensation with the other similar organizations and demand for a hike and more benefits. If it is not considered, the disputes and disagreements will surface. Therefore, there should be a policy in place in every organization to keep the employees more loyal, satisfied and dedicated.

15. Training and Development

In house regular or external advanced training systems including internationally deputed paid trainings by the experts from various training institutions, industries, Government bodies are necessary to make the employees up-to-date and more skillful. The training system must be well planned in the organization as a strategy to make the employees more productive and adoptive to the new skills. The funds incurred for training is not the expenses, it is the investment for the future of the organization.

The productivity and the higher growth depends on the employee's job knowledge and the skills. The growth, goals and targets of the organization solely depend on the production and productivity with high standards and quality. Therefore, the training system in any organization plays a very vital role and important in today's technological advancement era.

16. Employee's Leave Facility

There are different types of leave facilities are available to the employees. However, leave benefits in the Government and private organizations are different. In the government organizations the leave matters are linked to the constitutional rights and as per the Factory's Act, 1948 or other similar statutory provisions. Whereas, in the private sectors it is partially governed by the constitutional rights and rest as per their management's leave policy.

Availing of leave cannot be claimed as a matter of right, it is subject to the sanction or approval by the respective competent authorities, and in other words leave request may be sanctioned or rejected by the management taking in to the consideration the administrative exigencies and the reasons for taking leave by an employee. Therefore, the important under lying fact is that, the HR's or the Welfare Officers or the Labour officers of the organizations must be more accommodative and flexible in handling employees leave matters, which will go long way to build employee and employer relationship.

Different types of leave facilities:

1. Annual /Privilege/Earned Leave
2. Sick leave
3. Maternity & Parental leave
4. Sabbatical leave
5. Casual Leave

1. Annual /Privilege/Earned Leave

The Annual/Privilege/Earned Leave are one and same, it is earned by the employee as per the provision or the policies of the organizations. Every year certain days of leave will be credited to their leave account for having worked as per the leave policy adopted by each organization and it will be accumulated for a maximum of 240 days for the entire service in a particular organization, called as earned leave.

This facility will generally available only for the Government employees. This type of leave may be availed by the employees annually to a maximum days up to 30 days and in lieu of the leave they can also en-cash it subject to deduction of applicable taxes and it is also called as earned leave encashment. In the case of unavailed leave available to their credit at the time of retirement, up to maximum of 240 days can be encashed equivalent to their last drawn salary or it will be paid as leave salary.

2. Sick leave

As the name suggests, it will be sanctioned to an employee for sickness either hospitalized or treated at home. The employee need to submit a medical cum fitness certificate from the consulting doctor at the time of resuming back to duties after availing sick leave. The provisions of sick leave is as per the management leave policies and general 30 days of paid sick leave per year for the employees of the organized sectors will be granted for sickness as per their eligibility.

3. Maternity & Parental leave

The Women Maternity Benefit Act, 1961 with recent amendments provides 5 months of paid leave before and after child's birth is available for the women employees. The husbands of such women is also eligible for 7 days of paid leave to care of the women after the delivery. This provisions are mandatorily considered in the Government employment. However for the private or unorganized sector employees, if their employer and the employees have subscribed to ESI (Employees State Insurance) are covered with maternity benefit as per the provisions and eligibility.

4. Sabbatical leave

The sabbatical leave is a special leave for the employees of the Government departments in general for the purpose of higher education, health, family way, taking care of elderly people at home, foreign visits etc. for a period ranging between 6-24 months. The sabbatical leave is not a paid leave, but it is an authorized leave of absence and the employees can join duties immediately after the leave period. The sabbatical will be permitted only once during the entire service period.

5. Casual Leave

The name itself briefs about the nature of this leave. Casual leave will be permitted on a casual basis for the personal reasons for 12 days per calendar year. Unavailed casual leave cannot be carried forward for the next year and it has to be exhausted in the same year subject to the sanctioning of leave by the competent authority, availing of leave is not a matter of right.

17. Retirement, Pension & other retirement benefits

There are different types of retirements namely; Voluntary retirement, Compulsory retirement, Disability retirement and Superannuation.

1. Voluntary retirement

The Voluntary retirement is a retirement opted by the employees for reducing the work force to employ youngsters in place of older employees, but generally the employees will opt for the voluntary employment. The employees retired voluntarily cannot again re-employ in the same organization and may get employed in other organizations.

2. Compulsory retirement

The Compulsory retirement is one of the types of retrenchment strategies adopted by the management to reduce the workforce for reduction of wages and salaries. In certain cases the management resort to extend compulsory retirements to its employees for non-productive, irregular & unauthorized absentees, sick etc.

3. Disability retirement

The Disability retirement is a kind of retirement scheme extended to the employees who are disabled due to sickness, accident either partial or total and cannot work anymore with their fullest capacity. In many of the organizations including Government sectors there is a provision for compassionate employment for the wards of the disabled employees and extended disability retirement.

4. Superannuation

The superannuation is the regular retirement scheme of the employees who have attained retirement age as per the organizations retirement policies. In general, the retirement age for the Government employees will be at 60 years. The majority of private institutions are adopting retirement age at 58 years. The judicial employees are further extended by another 2 to 5 years as the case may be as decided by the Competent Judiciary Schools.

5. Pension & Retirement Benefits

The pension benefits for the employees for the state and central Government are as per the government retirement benefit scheme of the respective Governments. These employees are getting other terminal benefits in addition to the monthly pension and other retirements like PF, Gratuity and Leave encashment that are available to the Government Employees.

Whereas, the private organizations does not have such benefits to their employees, but if they are covered under the contributory EPF scheme, they will be covered with pensions. The unorganized sector labors are cover under voluntary or contributory pension scheme called as the 'Pradhan Mantri Shram Yogi Maandhan'

The benefits for Government and private employees are not the same. The different retirement benefits are Employment based Pension, Government Retirement Pension, Public Provident Fund, Pradhan Mantri Vay Vandna Yojna, Insurance linked Retirement Plans etc.,

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