

Talent Management Approach: Attraction and Retention

Priyashantha K.G.

Lecturer, Faculty of Management and Finance, University of Ruhuna, Matara

prigayan@badm.ruh.ac.lk

Janitha C. Mandawala

Senior Executive – HRD, Kelani Cables PLC, Kelaniya

janitha@kelanicables.com

Abstract

Talent has become the key differentiator for human capital management and for leveraging competitive advantage. Talent Management on one hand encompasses the application of best practices in the identification, cultivation, recruitment and retention of a qualified, effective workforce. It is on the other hand focuses on enhancing the potential of people who attracted by developing capacities. This case study tests the presence of any talent management approach and its contribution in attracting and retaining talented employees in Kelani Cables PLC. When Complying with the definition for talent management and its process used in this study, even though there is no any officer to manage the aforesaid talent, it is evident that Kelani Cables has its own talent management practices which are designed and implemented under the responsibility of the Human Resources Development function. Further, it is also evident that the company practices all the principles of talent management process as a whole. They have only to conceptualize it into the framework of the company methodology and initiate it as a separate function.

Introduction

Talent management is fast gaining a top priority for organizations across the world. This is mainly due to the challenging nature of businesses today. Business leaders want increased revenue and productivity, driving real value to the shareholders; whilst employees are expected to be accountable, focus on customers, improve their skills, knowledge and attitudes and be able to adapt to change. Talent management was initially designed to improve the process for recruiting and developing people with the required skills and aptitude to meet current organizational needs (Bhatnagar., 2007). The various aspects of talent management are recruitment, selection, on-boarding, mentoring, performance management, career development, leadership development, replacement planning, career planning, recognition, and reward (Romans and Lardner, 2006; Heinen and O'Neill, 2004; Scheweyer, 2004). Sullivan (2004) provides an extensive definition covering those aspects as the integrated process of ensuring that an organization has a continuous supply of highly productive individuals in the right job, at the right time. He suggests that the Talent management is a continuous process that plans talent needs, builds an image to attract the very best, ensures that new employees are immediately productive, helps to retain the very best and facilitates the continuous movement of talent to where it can have the most impact within the organization. The basic idea behind Talent Management is the assumption of the potential in everyone, and some approach should be sought to get it unleashed. Atkins. R, McCutcheon. M & Penna. G (2004) describe that Talent Management comprises three main clusters. They are, firstly, acquire new talent. This includes attracting, sourcing and selecting the right talent. In order to attract and retain the best talent anywhere in the world, an organization must have a strong and positive employer brand (Brewster et al., 2005). Secondly, leverage existing talent. This includes Maximizing the value of high potentials, performance management, and realigns capability. Finally, retain the talent. There are number of ways which can retain the talented employees. Among them an important method is employment value proposition surveys which help to identify what people value and secure their retention while providing systematic and targeted development opportunities for them. Talent management is

important for at least two primary reasons. The first is that effective talent management ensures that organizations can successfully acquire and retain essential talent. The second has to do with the extent to which these employees are engaged. The ability to effectively address both of these issues has become a primary determinant of organizational success and in some cases, even survival. (Hughes and Rog, 2008)

Research Methodology

The study is based on the Case Method for which Kelani Cables PLC was utilized. Primary and secondary data were collected for this study. The primary data were collected by two means. One method was by the discussions made with Managing Director and the other method was observations made by the researchers. In addition to that, experience of Senior Executive (HRD) who is one of the authors for this article was also used. As secondary data collection, corporate documents were investigated to gain further insight. Even though, there are many definitions for talent management approach, this study used the definition of Sullivan. J, (2004) as it illustrates talent management process explicitly.

The remainder of this paper is structured based on the company Introduction and the key elements in the definition used for the study.

Case Study – Kelani Cables PLC

Kelani Cables PLC started in 1969 with 6 employees and it was incorporated in 1973 as a quoted public limited liability Company for the manufacturer of power cables, telecommunication cables and enameled winding wires in Sri Lanka. It was a subsidiary of Pacific Dunlop Cables Group of Australia until 1999, where the Management system and technology of the company was upgraded to international standard. The ACL Cables group of companies acquired majority shares of Kelani in 1999. Since 1999 up to date Kelani is being recognized as a fast-developing cable-manufacturing Company in Sri Lanka. Its factories are situated in 2 locations; Kelaniya and Siyambalape. The dedicated & united work force of 400 employees along with the dynamic management drive is the key to the company's success. Kelani Cables contributes more than LKR 3 Billions to the GDP and expands the production year by year. Kelani Cables is an ISO 9001:2008 certified company having obtained this accreditation for the first time in 1999 in the cables industry. Further, the power and telecommunication cables manufactured carry the Sri Lanka Standards (SLS) certification. The cables are subject to intensive testing according to international standards BS, IEC, JIS, IS and SLS standards before releasing to the market and Kelani has a fully equipped laboratory to support this requirement. The "Kelani Enamel wire" product is proud to have the UL (Underwriter's laboratory) certification. The company has a network of dealers covering all parts of the island and it represents 32% from local market. Kelani cables have placed its name in the export market with regular supplies of power cables to India, Maldives Islands and Bangladesh. Kelani Enameled Winding wires are exported directly to Japan and also to European transformer manufacturers through export processing zones of Sri Lanka.

Planning the talent needs

The Kelani Cables is highly dependant on the customer requirements. The customers of Kelani cables are two fold; the consumers and buyer organizations. The Ceylon Electricity Board (CEB), Sri Lanka Telecom and MAGA Engineering are some of the major buyer organizations and they are treated as the trend-setters in industrial cable market in Sri Lanka, implying that the company has to face a highly sophisticated and

dynamic environment. Moreover, cost reduction, product safety and quality are the major challenges in order to be competitive in the market. To meet those challenges and world class customers' requirements, the company has to regularly update the technical know-how and the competencies, or talents its employees currently have. As far as Kelani Cables is concerned, the talent needs are originally made by the major buyer organizations, emerging technologies for machineries and equipments for cable production, safety requirements and projects such as quality improvement, cost and waste reduction to meet the competition. The company plans its workforce and their talent needs on annual basis. The Kelani Cables has an allocation from its annual budget for talent development, an overwhelming 4 million for the year 2009. Every year the company plans to get first class talent to face the competition, survive in the market and meet the customer requirements. Among other things, the talents to improve quality and to reduce production costs are essential.

The following is a classic example for how the company is planning the talents. The company was able to get the tender in 2009 for producing Aluminum Conductors Steel Reinforce (ACSR) Zebra conductor which is a high tension cable used by Ceylon Electricity Board, the main hydro power distribution authority in Sri Lanka. This is the first company which produces this conductor in Sri Lanka for Ceylon Electricity Board. Earlier the full required quantity of this conductor for Ceylon Electricity Board had been imported and now all the demand of this conductor is supplied by the company. This is a success story of well-planned talent needs of the company. Talent need required for this production task had been identified and planned before one year. Initially numbers of company potential review meetings had been conducted to identify machine capacity, required quality parameters, testing capacity etc. The existing talents of people in different functions had used for this task and if necessary, guidance and directions were provided by Operation Manager to upgrade the talents where there was any lack.

Moreover, It is important to note that the employees on their own have introduced new methods for upgrading quality, improving machines speed and reducing cost under the projects of Quality Circles, 5S and Kaizen etc. This is mainly because of those small teams which have been set up in a way that promote learning and foster innovation. There are number of quality circles in each plant, distribution and stores, to name just a few as "Ilakkaya", "Nireekshana", "Shakthiya" and some of which are aimed to reduce wire breakdowns, reduce waste of PVC, and to reduce difficulties face by transportation.

Image building to attract the very best

Image building is quite important in attracting the talented employees. Talent management literature mentions that an organization must have a strong and positive employer brand (Brewster et al., 2005) to attract the talented employees. The following are some of the facts for building images to attract the very best in Kelani cables.

1. Kelani Cables is the pioneered company in manufacturing Enamel winding wire in Sri Lanka which covers 95% of the market and it has UL (Underwriter's laboratory) certification to sell even to European countries.
2. The company is the first 5S applied Cable Company and won Gold Award for best 5S implementer in overall category in Taiki Akimoto 5S Award in Manufacturing Sector in year 2007.
3. Kelani has secured the fifth position among the best local brands at the SLIM awards in 2006, 2007 and 2008.
4. The reputation as being the first mover for having ISO 9001:2008 certification in the cables industry.

5. The company as a pioneering cable manufacturing organization has made agreement with the University of Peradeniya to provide funding for undergraduate research in cable manufacturing.
6. Inaugurated a “Kelani Saviya Programme” since 2006 with University of Peradeniya to produce students who couldn't enter to the Universities as electricians to the society.
7. Company is adapting to world-class practices like TPS ,5S, KAISEN, QUALITY CIRCLES etc,
8. Kelani Cables is manufacturing Zebra Conductors which was started in first time in Sri Lanka in 2009.
9. Company processes are operated through online systems such as Employee Self Service, Human Capital Management, Employee Dynamics, Performance Management and ERP.
10. Sponsor for public awareness programs such as opening stalls at national exhibition like Techno Engineering Exhibition, Construction Association, Deyata Kirula and 'Architecture Exhibition.
11. Won National Quality Award in year 2006, Achiever of Industrial Excellence Crystal Award in year 2008.
12. Kelani have been awarded the Superbrands status in year 2008, and has been certified as a truly Sri Lankan brand and awarded “Soorya Singhe Logo” by Mawbima Lanka Foundation.

Ensuring that new hires are immediately productive

There are basically two methods applied to ensure that the new hires are immediately productive. They are the induction and on -the job training and development. Each of them is described below:

Induction program: After being selected, the employees have to complete an Induction & Orientation programme. The first day is in-house training where they are basically given the followings.

1. Full awareness about the company, (history, objectives, expectations, products, work ethics, culture, practice etc.) A company video shall be presented at the end of the presentation.
2. Enabling them to have a deeper and better understanding of themselves as individuals highlighting their strengths, weaknesses, aspirations, duties and their responsibilities.
3. Making them feel comfortable in an industrial environment
4. Awareness on Safety procedures, ISO process, 5S process, hygiene, health and rules and regulations.
5. Visit to the cafeteria, rest rooms and factory tour.
6. End of the first day, plan out the orientation schedule, discuss with the Head of the Division to cover objectives and functions of each division.

After completion the induction & orientation, they are assigned a one-month on-the-job training under the direct supervision of immediate supervisor of each division. Thereafter the technical training, interpersonal and core competency programs are conducted by internal and external resource personnel up to the completion of 6 month in the employment. There, Lean concepts, and personal development techniques are also taught.

Training. After 6 months probationary period further training is given depending on the performance appraisal process, feedback from immediate supervisor and company / divisional specific needs / organizational requirements. Employees are required to participate in both internal and external training programmes to improve their talents such as core competencies, technical skills, interpersonal skills etc. The respective Head of the Division shall evaluate and monitor the participants' level of competence by using training impact assessment format documents. Further, at special points in training programmes such as at the end of and mid of training programs, an evaluation is done in order to identify the trainees' strengths, weaknesses and

special talents. This is used to monitor the trainees to ensure that adequate development is required to meet on-the-job performance and plan for future talent needs.

Helping to retain the very best

As remarked by the Managing Director, the company's main concern is to respect and reward the employees and thereby expect loyalty towards the organization. The following practices help the employees to stay in the company.

1. A flat structure and the absence of hierarchies: it is evident that the gap between the management and the employees has been minimized. The workers have been empowered to take decisions through Kaizen projects, Quality Circles and participate in the Joint Consultative Council, 5S Steering Committee, Safety and Health committee etc.
2. A complete 'open door policy', in other words, the transparency or openness and accessibility to the management, either in groups or as individuals, to discuss work-related or personal problems. For example, the MD's room has been made available to all employees and they are permitted to come and meet him directly at any time.
3. The company's one of the main concerns is to uplift the working conditions. Priority is given in this regard at the annual budget meetings.
4. Providing more opportunities for personal growth, in other words, uplifting them to become leaders and managers. Employees are offered outside training in local and foreign institutes such as in Sri Lanka Institute of Marketing, Institute of Engineering of Sri Lanka and Singapore Institute of Management respectively. Also, there is evidence that the engineers and the employees from shop floor level are following the same courses. In addition to that, organizing other company trips to give exposure on the best productivity practices and work align with those practices.
5. Giving special benefits such as 24-hour insurance coverage, Medical facilities, free meals, uniforms, transport, traveling allowances, safety equipments, social events, schools books for children, night shift allowances, bonus, increments, selling goods at cost in welfare shop, special loan schemes etc.
6. Identify the latent employees and they are rewarded by way of sponsorship for local/foreign development programmes, education, cash awards and gift vouchers.
7. Employees are encourage to forward innovative suggestions for improvement of productivity, processes, systems and business practices through the Best Suggestion Scheme (5S, Kaizen, productivity / process improvement).
8. Offer Quality Circle Award to encourage employees to improve productivity through quality circles.
9. Select Best Employee of the Year, Best Salesperson of the Year,
10. Electrician Membership Growth Award to increase number of electricians in the electrician club.
11. Employees who have completed a continuous service period of 25 years are presented with a cash award by the Company in appreciation of their services on the annual employee day.
12. Recognize special events of the employees through the newsletter "Pawura"
13. Sponsor for employees on formal education process (MBA, Diploma etc), foreign trainings such as Lean Management and National Quality Circle Convention at Bangladesh.

Facilitating the continuous movement of talent within the organization

It is quite remarkable that the factory is in production during weekends and holidays without managers and executives. The shop floor employees have been empowered to run the factory and take decisions where necessary. This implies that the employees have developed the relevant capacity to make their own internal arrangement to work with different workstations and solve problems which could arise.

Kelani cable is spending much on developing not only for technical skills but also for soft skills like leadership team building, developing trust problem solving and interpersonal relations like communication and negotiation. These ensure the employee mobility within the factory where necessary.

Conclusion

Ashridge Consulting's latest research on Talent Management, argue that there is no one correct way of conducting talent management; every organization needs to find and develop its own method which is aligned to its specific business strategy and requirements. As far as Kelani Cables PLC is concerned, this statement is true. Complying with the definition for talent management its process used in this study, Kelani Cables PLC has its own talent management practices. Incidentally, there is no specific officer as talent manager or someone like that to manage the aforesaid talent. Most of the talent management practices are planned and implemented under the supervision and responsibility of the Human Resources Development function. However, the company practices all the principles of talent management process explicitly. They have only to conceptualize it into the framework of the company methodology and initiate it as a separate function.

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