THE IMPACT OF TALENT MANAGEMENT ON THE COMPETITIVE ADVANTAGE IN THE ORGANIZATIONS

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Abstract— This study aimed to shed light on the concept of talent management as one of the new schemes that brought to Human Resources Management and its various activities especially in the new era. Furthermore, it comes not only to explore the reasons behind adopting such concept in organizations and companies and the impact on its culture but also to identify the most important strategies of talent management and how to deal with its considered as a competitive advantage for its direct impact on performance level as well as to identify the best ways to invest in talent management because of its effects on reducing the economic cost in the organization by retaining and motivating those talents to implement organization overall strategies .

Human resources - especially talented - contribute to the achievement of competitive advantage in their organizations because they innovate in their field and they have the ability to make the right decisions to achieve goals

In fact, there are some aspects that reflect the weakness of organizational loyalty leading talented people to leave their organizations; this is due to some repellent factors in their organizations, and the absence of the tools which will work on the employees' development in the organizations so as to enhance the affiliation, which led to unload a lot of talents

Keywords— Talent, Talent Management Human Resources Management, Talent Management Strategy, High Performance Work Systems. Competitive Advantage.

I. INTRODUCTION

The purpose of this paper is to explain the factors related to the successful management for talent in global organizations. This paper will then identify talent management strategies and best practices that pertain to the management of professionals and the Factors that affect talent management,

Organizations face many challenges due to the continued reform of Organizations and the rapidly increasing economy.

Leaders of these organizations must lead in a way that respects the traditional canons and practices of traditional economy while also embracing contemporary approaches to leadership.

Leaders are not only tasked with the responsibility to deliver results and increase revenue, but also required to manage and invest in the development of their employees. According to Keeley (2004), no other issue is more important to Organizations than developing effective leaders and managers.

So, land, capital and fixed assets are no longer key resources for the organizations to be highly competitive in the current economy (Gardner, 2002). Human capital is a key resource to adapt the organizations to the worldwide competition. Therefore, organizations are competing against each other to acquire and retain talents in order to maintain their operations and continue to grow (Gardner, 2002). In order to increase the effectiveness of a firm several resources can be used to achieve this, which includes money, men and machines, of this resources the most important of them all is the people (Kehinde, 2012)

Determinants of talent management includes; talent attraction, talent retention, learning and development and career management, each of these processes must be designed to fit the strategic requirements of the business as well as integrate with each other .To be successful the talent strategy must be aligned with the organizations business strategy .Aligning talent strategy with business strategy is usually unmet need in many organizations (Heinen et al, 2004).

II. TALENT MANAGEMENT

Although the scope and definition of TM differ among researchers, TM includes the HR/OD functions of identifying, developing, and retaining high potential employees for future leader-manager positions in the organization According to Abduljlil ALDamoe, Yazam, Ahmid (2012), "Employee retention has emerged as one of the major focus in the recent years in HRM studies, particularly as part of talent management programs" (p. 83). state that TM goes beyond retention and incorporates more elements of the talent management process by including training, career planning, HR development, succession planning, performance management, and qualified workforce supply/demand match; however, the overall strategic objective of TM is to develop and sustain leaders so that organizations can be successful (Mathis & Jackson, 2008, p. 292).

III. FACTORS REVIEW

3.1 Talent Attraction
The components of talent attraction are recruitment and selection, employer branding, employee value proposition and employer choice (Armstrong, 2006). Recruitment and selection requires that organizations use various methods or techniques of selecting the

right talent that reflect the culture and value of that particular organization (Armstrong, 2009).The recruitment of members of talent is the first task of talent management strategy.

The talent pool is a group of employees with special traits and are source of future senior executives(Ballesteros et al ,2010).The sources of talented employees can be internal or external .The best way to create a talent pool is the internal sources since the employees have already the knowledge of how business processes work and can be incorporated directly into the new position and the morale of workforce uplifted .However, if the organization want to introduce radical changes or to renew the culture ,external sources are the best (Ballesteros et al ,2010). Employer branding includes development of an organization's image, good enough to attract employees. In order to attract the best, organizational branding is a useful strategy, the organizations that manages its corporate brands effectively, gains advantage in the highly competitive global market place .Without the good brand image, it is difficult to attract the right talents (Ana, 2009).Top rated companies have one characteristic in common ,that is they give clear and consistent messages about themselves and that translates into a strong pull on talents (Tanuja, 2007). Employee value proposition is characterized by the potential employee's perception of the value of an organization seeking to recruit him. The employee measure value proposition based on the challenge the job posses, work environment, training opportunities, flexibility and reputation of the organization (Oehley, 2007).

3.2 Talent Retention

Talent retention aims to take measures to encourage employees to remain in the organization for the maximum period of time. Talent turnover is harmful to a company's productivity because costs of attraction are high. Direct cost refers to turnover costs, replacement costs and transitions costs, and indirect costs relate to the loss of production, reduced performance levels, unnecessary overtime and low morale (Echols, 2007) .Vaiman et al (2008) define two classifications of retention tool to suffice employee's expectation: extrinsic and intrinsic incentives. Extrinsic incentives includes different sorts of monetary rewards which can satisfy employees' physiological needs, while intrinsic incentives refer to non-monetary rewards that can fulfil employees' psychological needs. The monetary reward is admitted as an essential tool to retaining talent (Vaiman et al, 2008). Mendez et al, (2011) further emphasizes that a company needs to invest in employee retention in order to be successful. For example, a good compensation package is important in retaining employees, offering an attractive, competitive benefits package with components such as life insurance, disability insurance and flexible hours motivates employees to commit themselves to

an organization (Lockwood et al, 2006). In light of the above, a salary offered to an employee should not only be viewed as a sum of money, but as a package of remuneration in order for the payment to serve as a retention factor. Gomez-Mejia et al (2006) refers to this as internal and external equity. External equity is the perceived fairness of the remuneration in comparison to how much other employees in the same kind of work are receiving in the same industry. On the other hand, internal equity refers to how an employee perceives his pay to be fair in comparison to another employee who he perceives to be in a similar position within the same organization.

3.3 Learning and Development

Talent development is the process of changing an organization, its employees, its stakeholders, and groups of people within it, using planned and unplanned learning, in order to achieve and maintain a competitive advantage for the organization (Davis et al, 2007). As businesses continually apply new technologies, new business growth models, and new market strategies, the workforce's up-skilling becomes constant and continuous. Understanding strategies to talent retention and development will be able to help companies listed in the Nairobi Security Exchange to be successful in operating in the market place hence lead to good organization performance. Organizations which practice effective learning and development begin with their employees. This implies that they identify the employees who need learning and development, the level of learning and development they need and the duration during which learning takes place (Harburg, 2003).organizations with first class learning and development initiatives are excellent in listening on employee improvement needs and are able to express those needs back to the employee in clear and enlightening terms.

CIPD (2010) study on learning and talent development results indicated that in-house development programs at 56% and coaching by line managers at 51% ranked among the top effective learning and development practices. E-learning was also identified as key in learning and development. Moreover, the study found that senior managers and the human resource department were tasked with ensuring that courses were delivered and overall planning of the learning process carried out effectively. This study was carried out through a survey of various organizations.

The study also found that the skills the employer said they needed to focus on in order to meet their business objectives were mainly leadership skills at 65%, frontline people management skills at 55% and business awareness at 51%. Learning and development has become an important talent management initiative in many companies around the world. For some companies, learning and development is a strategic process that minimizes leadership gaps for critical positions and provides

opportunities for top talent to develop the skills necessary for future roles. With other companies, learning and development is a constant struggle, viewed as an administrative exercise rather than as a competitive advantage. In strong economic times, it is easier to ignore deficiencies in the career management process, but in the current economic downturn around the world, the need to identify and develop top talent for critical roles has never been more important (Davis et al,2007).Learning and development is an approach of an organization ensuring that people with the right qualifications and experience are available when needed (Zheng et al, 2001).

3.4 Career Management

There are several elements of career management including career development and planning which focuses on planning of employee growth and progression; career pathing which involves creating established career paths and families of jobs within a given area allowing employees have a vision of progression as well as goals and expectations; employee development consisting of programs and initiatives; learning and development initiatives; management coaching; competitive reward systems; career centres; succession planning; performance management/feedback; and cross-functional development programs (Allen ,2005).Career management consists of both formal and informal activities including employee workshops, job rotation, job enrichment and career progression ladders, for example organizationally planned programs or developmental stage theories. Organizations may also contribute to career identity by providing abundant opportunities for self-development, opportunities for advancement and mentors (Dargham, 2013).

Sturgeins et al, (2002) observed that organizational career management enhances employee commitment and hence organization performance . Career management help can be seen as one form of perceived organizational support. Perceived organizational support has been positively related to job performance and negatively linked to withdrawal behaviours such as absenteeism and turnover (Rhoades et al, 2002). Van Dam (2004) found that people who experience more organizational support have a higher employability orientation. Kraimer et al. (2003) studied the relationship between organizational career management and perceived career support. They defined perceived career support as the employee's belief that the organization cares about his or her career needs and goals. They found that promotional opportunities and informal organizational career management activities, namely informal career discussions with a manager, participation in challenging job assignments and mentoring relationship(s) with senior colleagues, are positively related to perceived career support.

Organizational career management practices includes ;performance appraisal as a basis of career planning ,assessment centers, career counseling by the human resource department ,formal mentoring ,career workshops, retirement preparation programs ,succession planning, formal education as a part of career development and lateral moves to create cross functional experience .

3.5 Talent Management and Organization Performance

Talent-management practices can create the most permanent competitive advantages, new technologies and innovations can be easily replicated by competitors and generate only temporary competitive advantages. Sustained competitive advantage comes from talent management practices in other words, how the organization attracts, develops, retains, motivates, manages, and rewards its talent. (Heidrick and Struggles (2011) Like a machine, a business will fail to operate successfully if key elements such as processes, systems, and structure are misaligned or hindered by friction between those element and like a machine, a business must be designed, operated, and maintained. These functions are performed by the talent – the human capital employed by the enterprise. Indeed, talent (i.e., an organization's employees), typically is the single biggest lever for driving improvements in business performance. The collective skills of the talent employed in an organization largely comprise the organization's core capabilities. An organization's talent injects capabilities that are very difficult for competitors to benchmark and replicate. More than any other asset, talent provides the potential for long-term competitive advantage (Lawler, 2008).

IV. TALENT ACQUISITION AND WORKFORCE PLANNING

Organizations with qualified and skilled talent will be able to outperform those organizations that do not have qualified talent. According to Mathis, S., (April, 2006), director of customer solutions for a global workforce solution firm, talent acquisition is the ongoing cycle of processes related to attracting, sourcing, recruiting, and hiring (or placing) employees within an organization. Global managers have to ensure that employees have experience to address the changes in their employment environments as needed to complete their assignments. " Companies that fail to respond to this change and do not succeed in redefining their employee value proposition will fail to attract, retain, or develop effective talent" (Ernst and Young, 2010, p. 17). This includes elements of employment branding, outreach, networking, and relationship building with potential candidate communities to continually build and enhance the talent pool for an organization. Global human resources professionals

will have to do more than just attract talent; they will need to develop a pool of qualified labor to meet the demands (Schramm, J, SHRM Forecast, 2006, p. 49).

V. TALENT MANAGEMENT AND EMPLOYEE DEVELOPMENT

Talent management includes the identification and development of all talent, especially high potential talent for future assignments, positions, or projects. An integrated talent management approach includes workforce planning, talent acquisition, professional development, performance management, retention strategies, and succession planning (Fitz-enz and Davison, 2002). It is important
to global organizations because it assists the organization with the development of its employees. "Supply chain is the central nervous system of a global corporation, and the more companies globalize, the more they are going to need people who can really understand all the different sides of the business" (Reese, p. 3). By developing their employees, organizations can produce optimal results.

According to the Institute for Corporate Productivity (i4cp), in a report called Critical Human Capital Issues of 2011, the top issues identified by organizations as " most critical" included: coping with change, knowledge retention, talent management/coaching, leadership development, performance management, innovation/creativity engagement, succession planning, measuring human capital and managing a global workforce ,"Companies around the world have made talent management a top priority, and therefore, such activities are marked by a relatively high degree of sophistication" , (Sharma, D., Borna, S. &Stearns, J. M. 2009)

According to Reinecke, Spiller, and Ungerman (2007), the McKinsey global survey of purchasing executives at more than 200 companies found that organizations that utilized "best practices in talent management with purchasing [procurement] employees differ from ordinary companies along three talent dimensions. The dimensions include capabilities of the purchasing units themselves, talent dimension involved the way purchasers view their roles and the aspirations they associate with those roles and high performers were more likely than the other companies to involve purchasing executives more broadly in business planning".

VI. PRINCIPLES OF TALENT MANAGEMENT

There are no hard and fast rules for succeeding in execution of management practices, if you ask me. What may work wonders for one organization may ruin another one! For convenience sake however there are certain principles of Talent Management that one should follow or keep in mind

Principle 1 - Avoid Mismatch Costs
In planning for future manpower requirements, most of the HR professionals prepare a deep bench of candidates or manpower inventory. Many of the people who remain in this bracket start searching for other options and move when they are not raised to a certain position and profile. In such a scenario it is better to keep the bench strength low and hire from outside from time to time to fill gaps. This in no way means only to hire from outside, which leads to a skill deficit and affects the organizational culture.

Principle 2 - Reduce the Risk of Being Wrong
In manpower anticipations for future an organization can ill afford to be wrong. It's hard to forecast talent demands for future business needs because of the uncertainty involved. It is therefore very important to attune the career plans with the business plans. A 5 year career plan looks ridiculous along with a 2 year business plan.

Principle 3 - Recoup Talent Investments
Developing talent internally pays in the longer run. The best way to recover investments made in talent management is to reduce upfront costs by finding alternative and cheaper talent delivery options. Organizations also require a rethink on their talent retention strategy to improve employee retention. Another way that has emerged of late in many organizations is sharing development costs with the employees. One important way to recoup talent investments is spotting the talent early, this reduces the risk. More importantly this identified lot of people needs to be given opportunities before they get it elsewhere.

Principle 4 - Balancing Employee Interests
How much authority should the employees' haves over their own development? There are different models that have been adopted by various corporations globally, but the flipside in this is that talented employees search for options. Organizations can also make use of the internal mobility programs which are a regular feature of almost all the top organizations. , Chou, S. Y. (2012) ,(Sharma, D., Borna, S. &Stearns, J. M. 2009)

VII. FINANCIAL BENEFITS OF TALENT MANAGEMENT

There are pros and cons for every management philosophy and the associated processes. Talent management is no exception to it. While many organizations simply decline to have it under their umbrella because it costs the company, still others approve of it equally strongly as an effective people management process.

According to (Reese, 2011), Organizations must take the following points in its consideration

- •Most of the organizations have short vision , when it comes to people management.
- •People management may not go well with pure capitalism.
- •Organizations and industries are growing at a fast pace, faster than the rate at which talent is produced.
- •There is dearth of talented and skilled professionals both at the top as well as bottom positions in the organizations
- •Due to cut throat competition and a consequent lack of talented professionals the attrition rates have increased across all industries, especially in services industry.
- •Poaching has become common place; employee retention has become the Achilles heel of corporations.

All the above mentioned statements clearly indicate that the talent is unable to keep pace with the growing industry and also that the industry has failed to breed the pool of talented individuals as per its requirements. A fast industry growth meant that there would be a need for talented professionals. (Lawler, 2008)

VIII. TALENT REPLACEMENT COST

Why organizations need employees to stay ?
The need to sustain talent is also critical to attract talent. Because of the lack of qualified personnel to fill positions, organizations will turn to contract personnel to fill these gaps. This can add to the cost of replacing key talent . The replacement cost for hiring employees also supports the need to retain employees. "When an employee leaves an organization, the replacement cost and the loss of institutional knowledge can be draining on the finances of an organization" (Cascio, 1991; Dalton, Krackhardt, & Porter, 1981; Dreher, 1982; and Sager, Griffeth, & Horn, 1998). Deloitte's September 2009 Special Report, "Managing Talent in A Turbulent Economy", revealed the following statistics:
The survey indicated that 49% of employees surveyed were either searching for a new job or plan to search for a new job after the recession ends. In fact, 30% are already actively seeking new employers. This figure could rise as more employees venture into the job market once the recession ends. Twenty-two (22%) of surveyed Generation X employees have been actively job-hunting over the past year. Among surveyed Generation X members, only 37% plan to stay with their current employer, while 44% of surveyed Generation Y members expect to remain in their current job .According to Reinecke, Spiller and Ungerman (2007) creating a high- performing procurement organization starts with managing people, not processes. Companies that begin by focusing on the skills of purchasers and by encouraging collaboration between purchasing and other functions often find that the benefits include not only lower costs but also higher-quality products, greater innovation, and more value from M&A. Reaping such benefits will be increasingly important as the pressures of globalization intensify. Individuals that are considered to be top talent desire to work in organizations that are able to retain talent and the cost to replace personnel depletes the organization's funds to replace and retrain personnel. By understanding the impact that talent shortages will have on global organizations, they can prepare in advance of the shortage by developing current personnel through talent management programs.

IX. APPLICATION OF TALENT MANAGEMENT IN CURRENT ECONOMIC CONDITION

The current economic conditions demand a cut in the expenses. Unfortunately enough for talent management though organizations and leadership is all praise for it on papers, the same is neglected as seen as a cost center when it comes to implementation.
According to (Snell A. 2007), In wake of the economic recession human resource professionals are under huge pressure to cut costs. Logically this is best time to validate the importance of talent management. Hiring and compensating the best talent in the industry optimally and ensuring performance at the same time. The question that remains is 'what exactly is the relevance in the current economic conditions'? Before trying to answer lets ponder on certain key issues.

- As per industry statistics only five percent of organizations possess a talent management strategy that is operational! In another ten percent the concept has just begun to develop.
- Aging workforce is another area of concern that has created vacuums in organizations leadership positions.
- Organizations also report shortage of talent business line managers.

All this has opened up avenues for HR professionals for vindicating their stand on talent management and once organizations understand that they need an integrated approach to talent management, the involvement of a top executive is important for driving success.
The top executive who now heads the talent management function is responsible for activities like succession planning, leadership development, career development, performance management, learning and development, recruitment etc. Having said this we again arrive upon the question of relevance. Bender, S., & Fish, A., (2000)

- Developing Leadership: Succession planning and leadership development are two issues that have felt a sense of urgency after the recent

economic downturn. Organizations have been seeking leadership positions to rescue them out of crisis.

- Performance Management: After succession planning and leadership development, performance management comes next on the list. Without a thorough and standard way to measure performance it is not possible to promote right people to right positions and motivate them to perform for organizational growth and development.

- Recruitment assumes significance: Recruitment becomes strategic. Recruitment practices determine organizational effectiveness. In a tight labor market, it is a daunting task to attract the brightest talent towards your organization and then getting them onboard. Internet has become an important source of external recruiting. Systems and standards have been laid down for the same. Here building an employer brand is important. Those who do, get right people onboard.

- Skill based Manpower Planning: Manpower planning is a strategic HR process these days. Instead of a mere headcount based hiring; manpower planning now extends to the locating critical skills, roles and responsibilities and then ascertaining current and future talent needs for those roles.

- These are vital processes that optimize the performance of the human capital management. What is required that to ensure that they are consistent in order to ascertain they meet the business objectives. Meyer, J.P., & Smith, C.A., (2001)

X. PROFESSIONAL DEVELOPMENT AS A TOOL FOR ATTRACTING TALENT

Professional development is preparing the workforce with the training, knowledge, and tools that allow employees to perform at their optimal level. According to a study conducted by the Procurement Leaders Network and Capgemini, "12% of the respondents said an inadequately trained workforce was a barrier in doing business in the U.S. This percentage rate was 9.9 in the UK, 6.2 in China and 4.8 in India" (p. 1). Global workers are not satisfied with the level of training opportunities that are afforded them. European respondents were the least satisfied with the level of training to enhance skills offered with 55% not believing it was adequate; 43% of respondents in the Asian market and 37% in North America agreed. Based on this data, organizations that will need qualified procurement personnel should be strategically aligning their organizational strategies to include professional development programs for the workforce (Northouse, P.G. 2010).**.**

Performance management as a tool to develop talent Performance involves the planning, performing and reviewing of employee goals and their progress toward goal attainment Latham and Locke, (1991) and London, Mone and Scott (2004). Managers who provide guidance and direction for the employees to achieve their performance goals lead this process. The ability to give on-going feedback is critical to the development of employees. Performance is most often tied to compensation and rewards; therefore, it is imperative that managers are trained in how to provide feedback to employees and organizations on the need for professional development opportunities. There have been many research studies on performance management such as Bernardin & Buckly (1981) norms for performance.

In the future, organizational leaders who are seriously committed to succession planning will shift from single- minded attention to the strategic level to include a focus on the tactical (Northouse, P.G. 2010). Succession planning involves preparing and developing current employees for senior leadership roles within the organization. According to Heidrick & Struggles and Stanford University's Survey (2011) on CEO Succession Planning, over 50% of Canadian and US companies have not begun a succession process for the head of their organizations. The research on 140 CEOs and directors at large and mid-cap companies found that 39% of the respondents have no viable internal candidates, only 50% have any written documentation detailing skills required for the next CEO, only 19% have well-established benchmarks to measure internal candidate skills and only 50% of companies provide on-boarding or transition support for newly named CEOs. Additionally, boards spend only 2 hours a year, on average, discussing CEO succession planning (Heidrick & Struggles, 2011).

XI. MISUNDERSTANDING ABOUT TALENT MANAGEMENT

According to (Bhatnagar, J., 2007), There are some Misunderstanding issues, Without doubt talent management is a very useful concept for organizations but unfortunately many of them look upon the former as an overhead rather than a value creating process. This can be attributed to some flaws in the implementation and some mistakes among HR practitioners, We can mention to it as following:

1. Paying higher compared to Rival Firms will stop the Employee from Leaving: Offering more compensations than rivals or above industry standard will prevent employees from leaving and will also attract the best talent.
   Reality: Paying higher than rival firms may help to a certain extent in retaining your employees. It may also help you poach certain employees from your rivals but in the long run, money fails to motivate people. Money is a hygiene factor;

its absence may be a de-motivating factor but presence surely cannot be motivating for long.

Solution: It is the day to day work, organizational culture and career progression that motivate people more on a daily basis. Analyze each employee on what motivates whom and try to align their career interests with their growth in the organization.

2. Rewards and Incentives only Motivate People: We discuss here is that rewards and incentives that motivates people to give their hundred percent and work more productively. Consequently it's the rewards and incentives that is at the focus of HR people.

Reality: It is the attributes and the culture of the organization that is most likely to motivate people to work better and be happy with their jobs. Leadership and job empowerment are other factors that contribute to the happiness of employees.

Solution: Work on making the organization a better place in terms of enriching the culture, improving senior junior relationships and of course laying due emphasis on how the employees are being compensated.

3. Employee Engagement is Useless: In industries where the attrition rate is low there is a common feeling prevalent that employee engagement programs are of no benefit. Further there is also a feeling that employee engagement helps only the employees and not the organization.

Reality: There is no direct connection between levels of attrition and employee engagement. In fact employees who are engaged well are more productive and take ownership of their work. Since organizations about people, well engagement not only improves employee performance but also organizational or corporate performance. According to one recent research engaged employees perform 22 percent better, have lesser rates of absenteeism, and produce greater customer satisfactions.

Solution: Customize engagement strategy for each employee and show the connection between employees work commitment and organizational success. Improvise key drivers such as manager's expertise and future career opportunities and development.

4. Low Growth Periods do not require Employee Engagement: Organizations typically believe that low growth is an industry wise phenomenon and does not demand employee engagement. Employees are naturally left with lesser options to switch jobs.

Reality: In absence of employee engagement, the organizations stands at the risk of losing projects in hand. Continued absence of employee engagement may in fact de-motivate an employee to contribute his best.

Solution: Employee engagement is critically required talent that is essential for future growth and opportunities.

XII. ACHIEVING COMPETITIVE ADVANTAGE THROUGH TALENT MANAGEMENT

Organizations work towards the achievement of their mission and strategic objectives. This requires a thorough understanding of the resources required for achieving the objectives. Resources here imply financial and non financial, and they are equally important and interdependent (Stinglhamber,F. &Vandenberghe C ,2003)

Technically these resources have been divided into two, non contingent and differentiating capabilities. Whereas non contingent capabilities are basics that enable an organization to compete and exist in the marketplace, differentiating capabilities are those that differentiate an organization from that of the other and offer competitive advantage. Effective marketing management, for example can be one of non contingent capabilities. Similarly many HR processes aspire to develop non contingent capabilities but they often fail to align with the strategy and offer competitive advantage. Most of these processes end up developing people in similar areas and similar capacities as their rival firms but fail to provide any competitive advantage. Vaiman V. & Vance C.M. (2008)

- For organizations to develop competitive advantage through HR processes it is very important to define strategic differentiating capabilities and then develop a process for identifying and developing the same. This empowers the HR people to create an impact on the organizational strategy and also provide a link between talent management and strategy. (Lawler, 2008).

- For HR to prove that talent management can be of strategic importance to organizations, the critical relationship between the two must be proven. Talent management specially needs to be projected as a differentiating strategic capability that can offer real and substantial competitive advantage. (Kapoor, B. , 2009)

According to (Snell A. 2007), A research conducted by various bodies, it was found out that creation of differentiating strategic capabilities signifies the relationship between business strategy and human resources. Human resources, it was deduced are the primary sources of strategic advantage. The research study was primarily based on Resource based view (RBV) of an organization. This view has gained significant ground among HR practitioners as basis of models for formation and structure of resources.

CONCLUSION

Managing talent is a challenge to all organizations in the context of globalization irrespective of the country (Gardner, 2002). Moreover, the concern about the scarcity of talent is almost universal. Organizations around the world are competing for the same pool of talents. This is seen as a global labor market for talents. Trend of global integration shows organizations' standardizations in talent recruitment, development and management, to ensure their competitive position and consistency. Therefore organizations have to adapt global best practices of Talent management and at the same time adapt the local requirements and local labor market (Stahl et al., 2007). The organizations that are very successful worldwide tend to maintain local recruitment strategies, but they combine this local strategy with a more global transfer of information and best practices Talent management is in its nascent stage, there are still more processes that will be added in due course of time as organizations opt for more initiatives in the direction. (Brewster et al 2007).

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