



Talent-Natural Or Acquired? Theoretical Considerations And Inferences For Talent Management

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INTRODUCTION

In the paper Meyers, van Woerkom, and Dries pose an important question around the meaning of the term 'talent' with a particular focus on the extent to which talent is an innate construct (nature), mostly acquired (nurture), or more based on an interaction of the two. The paper is well motivated and it is a truism that heretofore the literature on talent management has largely neglected the discussion of this important micro level question. Indeed, the focus of extant work has been on the systems and processes of talent management (Boudreau and Ramstad, 2007; Collings and Mellahi, 2009; Fardale et al, 2010; McDonnell et al, 2010; Schuler et al, 2011; Tarique et al, 2010; Vaiman et al, 2012) and the management of star employees (Groysberg, 2010). Indeed, it appears that as a field talent management shares similarities with the literature on strategic human resource management (HRM) in this regard. As Wright and McMahon (2011) recently noted- strategic HRM research has largely focused on the practices that impact human capital rather than the human capital itself.

Meyers et al's paper presents a comprehensive and convincing overview of the differing perspectives on talent as innate versus acquired and presents a continuum reflecting the various interpretations of these perspectives and some implications of an organisation's position on this continuum on the design of talent management practices. This issue is particularly pertinent given the evidence that organizations are increasingly willing to pay a premium to attract and retain those they perceive to be highly talented individuals (Ang, Slaughter and Ng, 2002; Goldsmith and Veum, 2002). This is underpinned by the implicit assumption that talented individuals produce outstanding performance that helps firms achieve a competitive advantage. We agree with the general premise of the paper. Therefore, rather than rehearse Meyers and her colleagues' arguments, we focus on

expanding on the ideas in the paper. In particular, we address the issue of exclusivity of talent and consider the role of context and its implications on talented individuals' performance.

As we have outlined in an earlier paper in this journal, we define strategic talent management as 'as activities and processes that involve the systematic identification of key positions which differentially contribute to the organization's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization' (Collings and Mellahi, 2009: 304). Thus, for us, effective talent management is about maximizing the organization's sustainable competitive advantage and any discussion of the notion of talent comes back to a consideration of that point. Indeed, this point is acknowledged by Meyers et al in their paper, however in building on their arguments we ask two key further questions. Firstly, rather than focusing the debate on the exclusivity of talent, we argue that a key question for organizations is where best to invest a limited pool of resources to maximize the contribution of talent within the organization (see Becker and Huselid, 2006; Boudreau and Ramstad, 2007; Collings and Mellahi, 2009). Secondly, we question how the same individuals performing the same role in the two different contexts can have different performance outcomes- or how talent translates into performance.

Exclusivity versus maximizing value creation :

A key point of departure for Meyers et al is the ambiguity around the exclusivity of talent management systems, with a suggestion that authors such as ourselves and John Boudreau and colleagues privilege 'a small, elitist percentage of the workforce only- the high potential, highly performing, or strategically important employees' which contrasts to others who argue for a more inclusive approach. While their suggestion that we, and others, propose a more 'exclusive' approach to talent management is fair, such a position is not premised solely on the qualities of the talents in the organizations. Indeed, we would argue that the baseline of investment in human resource practice in any organization should be high. We are convinced by the contribution of appropriately designed and coherent HR practices to individual and organizational performance outcomes. Thus, we recognize the contribution of all employees. However as Jeffrey Pfeffer (2001) has argued convincingly in the context of the war for talent, stacking an organization with talented individuals will not necessarily translate into high levels of organizational performance. Rather this stream of literature calls for a greater level of differentiation between roles in organisations, with an emphasis on strategic over non-strategic jobs (Becker and Huselid, 2010), or between those organizational roles which promise only marginal impact vis-à-vis those which can provide above-average impact (Boudreau and Ramstad 2007). This shift in perspective is premised on the recognition that organisations currently overinvest in non-strategic roles (Boudreau and Ramstad, 2007; Becker et al, 2009; Collings and Mellahi, 2009). We call for a shift in thinking from a focus on inputs required for a role (talent) or task significance to considering jobs in terms of potential outputs and strategic significance (Becker and Huselid, 2010; Becker et al, 2009). As Becker and Huselid, 2006: 904) argue

"When employees are able to contribute to a firm's strategic objectives, they have (strategic) value." In other words, human capital [or talent] is only strategically important if it directly implements the firm's strategy. Presumably not all strategic processes will be highly dependent on human capital. As that dependency increases, employee performance behaviors in that business process are increasingly a complement to effective strategy implementation".

The implications of this perspective for an organization's assumptions around the nature of talent are twofold. Firstly, it raises a question around the amount of talent required in an organization. For example does the organization require top talent in every organizational role or would having average levels of talent in roles which have limited potential for variation in performance and which rely to a lesser extent on human capital be more effective (see Becker and Huselid, 2010; Collings and Mellahi, 2009 for a discussion)? Secondly, as noted by Meyers et al, a differentiated approach to talent maximizes the commitment of those employees who add the greatest value to the organization. In contrast, having highly talented individuals in roles with limited scope to apply their talents and contribute to organizational success is likely to translate into frustrated employees who feel underemployed which is likely to translate into employee turnover (Erdogan and Bauer, 2011). Thus there is a strong argument that a differentiated approach to the management of talent is not elitist but rather facilitates the maximum contribution of talents to organizational performance and facilitates higher levels of engagement of all employees in organizations.

The relationship between talent and performance:

The second key question that Meyers et al's discussion of the nature of talent raises for us concerns how talented individuals performing the same role in the two different contexts can have different performance outcomes.- or how does talent translate into performance While Meyers and her colleagues provide a very useful summary of research on talent transfer, this literature stream has its roots largely in how athletes can transfer their athleticism from one sport to another. While this raises some important questions it fails to consider how an individual doing the same role can display markedly different performance levels in two different organizations.

One compelling empirical example of this issue is Huckman and Pisano's (2006) study of cardiac surgeons performing the same task across multiple hospitals at approximately the same time. Their study found that the performance of individual surgeons differed across different hospitals. Surgeons performed better (measured by risk-adjusted mortality) in hospitals where they performed a higher number of procedures compared to those where they performed a lower number of procedures. The fact that the same talented surgeon can perform differently in different hospitals at roughly the same time may tentatively be explained by the surgeon's familiarity with critical assets in the hospital such as specific employees, team structures, and operating routines combined with the fact that surgeons with higher volumes at a specific hospital may be able to bring their influence to bear in ensuring access to better resources. This brings to the fore the social and physical contexts in which talents perform.

The importance of context is also likely to translate into differences when a talent changes organizations. Empirical evidence suggests that talented individuals with proven records of superior performance find difficulties performing at the same or higher level when they move to a new organization. For example, a study of Wall Street equity analysts found that 85 per cent of those interviewed believed their performance was independent of the companies they worked for and highly portable, highlighting the view amongst these analysts that talent was what differentiated performance (Groysberg, 2000). However, almost a decade of study, confirmed that star performance was not as portable as believed and when star analysts switched employers their performance dipped significantly, a dip that lasted for five years suggesting that the translation of talent into performance is not stable (Groysberg, 2010). While Groysberg points to the importance of firm resources and capabilities in facilitating the exceptional performance of star analysts (a topic to which we return below) it is also possible that to a degree at least the drop in performance might be explained by a lack of adaptability amongst the stock analysts.

The role of context is reinforced by Groysberg's study of former GE executives who are hired as chairmen, CEOs or CEO-designates by other firms. Groysberg (2010: 324-6) found that even general managers, who would be perceived to have a relatively generic skill-set vis-à-vis other categories of managers, specialize in context-specific skills and that their human capital is only of value within the same context. In other words where managers moved to firms whose systems did not resemble GEs, where managers changed industries, where the strategic needs of the new firm differed from the executive's experiences the hire tended to be unsuccessful in terms of the financial performance of the new firms. Or approaching the debate from an alternative perspective, Dokko et al (2009) point to the potential for rigidities owing to norms, schemas and scripts which are acquired in one role, leading to inappropriate behavior in another role, which can at least partially offset the benefits of prior related experience.

These studies suggest move the debate beyond the interaction of nature-nurture and highlights the importance of understanding how talent, whether innate or acquired, translates to organizational performance in specific contexts.

Conclusions and future directions:

There is little doubt that Meyers, van Woerkom, and Dries bring an important debate around the nature - nurture of talent into the mainstream talent management literature. Indeed the consideration of the issues they put forward can only improve our understanding of how talent can most effectively be management in particular organizational contexts.

Building on the ideas put forward in the paper, we argue research should continue to focus on the most appropriate deployment of talent in organizations and on maximizing the translation of talent into performance in specific organizational contexts. There are a number of theoretical approaches that could inform the development of these lines of enquiry. Certainly Lepak and Snell's (1999) HR architecture could assist at an organizational level of analysis. At an individual level of analysis human capital theory offers significant potential.

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