Light My Fire: A Perspective on Strategic Talent Management

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Abstract The purpose of this paper is to analyze strategic talent management that relates to International Human Resource Management (IHRM) and multinational enterprises. The paper discusses several issues and strategies of strategic talent management with clear arguments and opinions that are demonstrably informed and substantiated by evidence from other journal articles including articles beyond those referenced in the article. Subsequently, the paper recommends companies, especially multinational enterprises, to become competitive in the global marketplace.

Keywords Strategic Talent Management, International Human Resource Management, Human Resource Development

1. Introduction

During the last twenty years, the needs of multinational companies has increased dramatically and become competitive in the global marketplace. Talent management is an excellent example of International Human Resource Management field that provides many opportunities for a company's strategic talent management (Schuler, Jackson, and Tarique, 2011).

David G. Collings and Kamel Mellahi succinctly describe strategic talent management and have endorsed strategic talent management. The title of David G Collings and Kamel Mellahi's article is "Strategic Talent Management: A Review and Research Agenda" is aiming to help human resource (HR) scholars and practitioners to clarify the conceptual boundaries of talent management and to provide a theoretical framework that can help researchers in framing their research efforts in the area. In addition, it helps managers to engage with some of the problems that they face in terms of talent management. Other than that, Collings and Mellahi (2009, 304) suggest that strategic talent management could assist HR managers to resolve some of the problems they face in terms of talent management.

The purpose of this paper is to analyze the credibility, the quality and usefulness from the perspective proposed by Collings and Mellahi. In addition, this paper will incorporate any research related to the strategic talent management as well as international human resources and multinational enterprises, which are given by Collings and Mellahi. Therefore, author will provide and discuss several strategies of strategic talent management with clear arguments and opinions that are demonstrably informed and substantiated by evidence from other journal articles, including articles beyond those referenced in the article. Furthermore, conclusions will be given with the recommendations in the paper.

2. Strategic Talent Management

Collings and Mellahi (2009) define strategic talent management 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". It is important for the employees in the organization to have their talents to be recognized. Contradicting with the traditional view which merely perceive the employee' existence as the 'beast of burden' in the organization, strategic talent management acknowledges employees (HR) as the strategic partner in the organization. Not only that, strategic talent management is expected to empower and develop the available talents (employees). In other words, HR managers should be able to enthuse and 'light the fire' of potentials on the talents. Therefore, employees feel that they will be rewarded and appreciated. This is expected to minimize the turnover rate in the organization (Beheshtifar and Kamani-Fard, 2013; Collings and Mellahi, 2009; Christensen-Hughes and Rog, 2008).

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Based on that, Collings and Mellahi (2009) have processes of effective strategic talent management in international organizations. The first stage is identifying the pivotal talent positions that emphasize the identification of "a performer" and focuses on their retention and development. The second stage is developing a talent pool that refers to the high potential and high performing of the organization. The third stage is creating a differentiated HR Architecture that ensures commitment to the organization and to facilitate the filling of key positions within the organization. Eventually, strategic talent management systems have a positive impact on organizational level outcomes or critical individuals such as work motivation.

2.1. Pivotal Talent Positions

Collings and Mellahi (2009) argued, "The identification of pivotal talent positions should be the first stage in any strategic talent management". The main key of the pivotal position is to focus on strategic rather than non-strategic positions and how the organization may think about roles and job evaluation. Hence, the work can be distinguished in terms of inputs, such as skill, effort and capabilities and working conditions (Collings and Mellahi, 2009).

Related to international human resource management, selection criteria are defined as the process of gathering information for the purposes of evaluating and deciding who should be employed in particular jobs. In addition, selection criteria are two-way processes between individuals and organizations that may determine the skills, effort and ability as well as working conditions (Dowling et al. 2013, 129).

In multinational companies, several factors involved in the selection of expatriates are related to each other, both in terms of the individual and situation. Individual factors related to technical ability, Cross Cultural Suitability, and Family requirements. Situation factors related to Country/Cultural requirements, language, and Multinational Enterprises requirements (Dowling et al. 2013, 129).

2.2. Talent Pool

The objectives of most organization, whether domestic or international, are to hiring and deploying people to positions where they can perform effectively (Dowling et al. 2013, 124). Moreover, the development of a talent pool is the key for strategic talent management system to fill the pivotal talent positions within enterprises (Collings and Mellahi, 2009).

A successful talent pool is also found to be a challenge from both organizational and individual perspectives. Particular factors identified to deal with changing business requirements, changes in individual circumstances, provide development opportunities; retain senior commitment, and define measures of success (Beheshtifar and Kamani-Fard, 2013). Therefore, organizations must incorporate the development of internal and external recruitment to fill talent pools (Haeruddin, 2017a; 2017b). As a result, it facilitates the management of quantitative risk associated by ensuring

there is considerable talent to meet the needs of the organization not an oversupply that represents useless resources (Collings and Mellahi, 2009). However, most expatriates are recruited internally rather than externally, and this is because the company recommends the best employees (especially if they work in the domestic environment) for international assignments. In addition, recruitment of internal hires for expatriate assignments is preferred because this reduces the risk of poor selection decision. In internal selection process performance appraisals, personal reports, interviews with colleagues and firm-internal career plans can be used as information sources in order to reduce uncertainty (Dowling et al., 2013, 124). Also, Moriones and Angel (2006) show that the preference for internal recruitment is not only motivated by the minimization of selection risks but also by the wish to secure present and past investment in human capital. In the case of expatriate recruitment on the external labor market the selection risk is often managed by using specialized and relatively expensive consultants (Dowling et al., 2013, 124). On the other hand, Collings and Mellahi (2009) argued that the organization must be aware of the importance of the external labor market in talent management system. This is because today's rising career mobility in the labor market that enables recruitment of high performing candidates and more creative from the external labor market to multinational corporations. Thus, it is becoming a major issue for international human resource management (Dowling et al., 2013, 124).

2.3. Differentiated Human Resource Architecture

Specific worker groups can make the organization's commitment to recognize the differential contributions, and should realize that the importance of differentiated human resource architecture (Collings and Mellahi, 2009). HR architectural perspective is consistent with the value of knowledge, uniqueness, and mode of employment, employee as well as labor relation's skills (Choudhury and Mishra, 2010). Lepak and Snell (cited in Collings and Mellahi, 2009) have found four different employment modes. First, knowledge based employment, which emphasizes internal development and long-term employee commitment to the core group of workers as well as valuable and unique so that it has the potential to contribute to the company. Second, job-based employment, when the worker has limited uniqueness, but have strategic value so that these workers are employed to perform tasks that have been defined and used internally, as well as contributing to the success of the company. Third, contract work; these worker are not strategically important and unique and are generally only used at certain times (Ad-Hoc). Hence, jobs in these groups are often targeted for outsourcing. Last, Partnership/alliances, these workers are relatively unique; do not have enough to employ strategic value internally as well as beyond the structure from the organization.

Related to that, there are various approaches taken to staffing international operations and the allocation of human

resources to the firm's varied international operations to ensure effective strategic outcomes. Also, the pivotal role of international assignments is outlined (Dowling et al., 2013, 110). However, there are some staffing issues that are faced by international companies, which either are or are not present in the domestic environment, or complicated by the international context in which these activities take place. Hence, enterprises should adapt contingency theories that are used to improve the understanding of how organizations engage and manage their workforce components and to assess how individuals respond to and perform in the workplace are changing rapidly and flexibly (Castellano, 2010). HR architecture can manage the intellectual capital of a multinational company's strategic, harness the experience, knowledge, as well as expertise more systematically to achieve a competitive advantage (Choudhury and Mishra, 2010). Ultimately, the HR architecture should be selected and used strategically to maintain the boundaries of international organizations, and to promote a high level of organizational identity and more specifically to encourage retention of professional staff in a highly competitive industry (Choudhury and Mishra, 2010).

2.4. Outcome

Strategic talent management systems have a positive impact on organizational level outcomes or critical individuals such as work motivation and organizational commitment. Thereby, Collings and Mellahi (2009) recognizes the key role of outcome-level employees in strategic talent management and the importance of ensuring their commitment and motivation to the organization, as a mediating variable between strategic talent management systems and positive organizational outcomes.

2.4.1. Work Motivation

Organizations today are faced with designing effective reward systems that motivates labor in context, the international global workforce that represents several countries and cultures (McGee, 2007). Thereby, the rapidly growing global economy has led to an increasingly international workforce across the world, thus creating a design that is a fair reward system that motivates and meets diverse needs. Therefore, it requires knowledge of how employees' motivated individuals from various cultures in the workplace that led to high-performance work systems (HPWS) in the international service industry (McGee, 2007). Collings and Mellahi (2009) identified the direct role of High Performance Work Systems in individual performance by increasing the skill level of employees, company-specific knowledge as well as an indirect role that resulted in lower quit rates and increase motivation.

2.4.2. Organizational Commitment

Collings and Mellahi (2009) argued, "Organizational commitment is a powerful bridge between talent management". Highly committed workers will demonstrate a strong desire to remain and become part of the organization, beliefs and acceptance of definite values and goals of the organization and willingness to exert high levels of effort on behalf of the organization (Jamal, 2011). Accordingly, organizational commitment involves an active relationship with the employee where the individuals are willing to give something of them in order to help the organization succeed and prosper and become part of the global and international markets (Jamal, 2011).

3. Discussion

Collings and Mellahi have presented a definition and framework for strategic talent management that will assist and motivate future researchers on talent management, which resulted in high potential organizational outcome. However, the needs of international enterprises have increased dramatically in the last few decades in order to be competitive in the global marketplace (Schuler et al., 2011). The article framework presented by Collings and Mellahi are generally for domestic companies. Therefore, there is still other strategic talent management that can be used by international companies to improve international human resource management that will lead to the better organization outcomes. This requires the organization to plan how to attract, recruit, hire, and retain talented employees. Thus, organizations must have the best talent to succeed and become part of the hypercompetitive global economy. Along with an understanding of the need to hire, develop, and retain talented people, organizations must manage their talent as a critical resource to achieve the best results (Areiqat, Abdelhadi, and Al-Tarawneh, 2010).

As discussed previously there are other ways to get work done than by simply recruiting or promoting staff. Nevertheless, Collings and Mellahi only offered a few ways in recruiting and promoting staffs such as identify pivotal position and develop talent pool from internal and external labor markets. However, there are other factors in the recruitment of workers such as acquisition, selective staff or acquisition is often championed as the foundation of international human resource strategy is focused on the acquisition of human capital (Choudhury, 2010). Subsequently, their talents can be developed through various forms such as education, training and work experience. Additionally, employee training ensures an organization that has a skilled, motivated and competent workforce. For example, if the company appoints an expatriate, they must provide education, training as well as work experience for how to resolve problems that will arise in international human resource management. Moreover, employees' collaboration enables the organizations to establish a social network where the network nodes represent people and area network represent relationships (Choudhury, 2010).

Ultimately, reward for talent management and retention of talent, rewarded managers are beneficial for self-development and staff development. This will increase

the quality and satisfaction of the company's managers that resulted in improving employee commitment and loyalty to the companies (Haeruddin, 2017a; Rothwell, 2012). As a result, Acquiring and retaining talent will motivate talented multidisciplinary human resources in order to meet the needs of the organization and continue to create new opportunities for employees to improve their capabilities and channelize their potential for success of leading international organizations (Choudhury, 2010).

4. Recommendations

As discussed above, this paper recommends readers and companies that companies should develop their own strategic talent management, which resulted in high potential organizational outcome. Moreover, organizations need to combine the framework provided by Collings and Mellahi with other talent management system. Next, to improve international human resource management systems that will lead to the better organization outcomes, this would increase the quality and satisfaction of the companies' workers. At the same time organization is required to plan how to attract, recruit, hire, and retain talented employees as suggested in Haeruddin's work (2017b). This is important as it helps to clarify the conceptual boundaries of talent management. Moreover, it is suggested that organization or business need to improve companies' capabilities and channelize their potential for success of leading international organizations, which eventually will improve employee commitment and loyalty to the companies.

5. Conclusions

Talent management is a process whereby a company can attract, recruit, hire, and retain talented employees particularly expatriates who can carry out the task of international organizations that produce better outcomes for multinational companies. HR manager should not overlook the work of Collings and Mellahi, as they offer such significant insight, particularly in talent management topic. By managing talent in organization, it is expected that the people themselves become a competitive advantage and strategic partner in the current globalization era. Moreover, the talents within the organization can be developed through various forms such as education, training and work experience.

After defining and discussing strategic talent management, the paper recommends companies especially multinational enterprises to become competitive in the global marketplace by considering not only Collings and Mellahi's work, but also combining their work with other scholars in the respected field of talent management. This includes the work from Choudhury (2010), Dowling et al. (2013), Haeruddin, (2017a; 2017b), and Rothwell (2012).

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