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Talent Management: An Escalating Strategic Focus in Bangladeshi Banking Industry

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Abstract

The aim of this study is to justify the talent management (TM) system in a Bangladeshi Commercial Bank. Hence, previous research articles have been reviewed and primary data relating to selected bank have been collected from semi-structured interviews and some reliable and updated secondary sources for selected Bank's website and other sites of Bangladesh Central Bank to achieve the aim of the study. The study finds several key practices of TM that includes recruitment, talent development, knowledge management, social media, performance management, and rewards. The limitation of this study is that this study is not empirically tested. The scope of the study focuses on banking sector in Bangladesh. The study recommends that HR managers should embrace TM practices of the case bank to effectively manage their workforce. This study is the first study to uphold TM in banking sector of Bangladesh.

Keywords: Bangladesh, Talent management, Bank, Talent Development.

Introduction

Challenge of HR, at present, is to manage talent globally (Tafti et al., 2017 and Naim & Lenka, 2017). To meet the constant demand, organization must prioritize to engage, retain, and develop talent. In particular, the highly shifting nature of the volatile labour market and psychological contract have resulted in high turnover of talent. This has gotten that talent management (TM) notion to of disciplinary management gained the forefront. Recent study suggests that TM in the emerging market is highly challenging (Tarque and Schuler, 2010). Yet, there are a limited number of investigations conducted on TM, particularly in Bangladesh (Mohaimen, 2013, Eva, 2015, Anwar & Reaz, 2016).

Talent management (TM) has received a remarkable interest among practitioners and academicians since introduction of the phrase 'War of Talent' in 1997 by Kckingly consultants (Colling & Mellahi, 2009; Ebben et al., 2017). However, from the previous academic literature, there is no universal definition accepted by TM (Cappelli & Keller, 2014). There are colossal

differences in characterizing tm Likewise researchers what's more associations from shifted commercial enterprises have coined their conceptualizations (Gallardo-Gallardo et al., 2013). Moreover, most of the TM studies are theoretical and exploratory nature.

Talents are known as highly potential employees displaying ability, engagement, and aspiration to succeed in top and high management. Importantly, conceptualization is from different perspectives. Talent management is a process which starts with creating talent pools to monitor and manage high potential employee's careers within the company and employees in these pools should have the potential to be promoted to role of senior management (Salim, 2017). The definition of talent management is the concept generally used to emphasize the strategic importance of strong human resource practices in organizations (Maamari & Alameh, 2016). Collings & Mellahi (2009) characterized TM as "activities furthermore procedures that include the precise ID number of key positions that differentially help the organization's reasonable aggressive advantage, those improvements of an ability pool from claiming to pierce, furthermore high-performing incumbents should fill these roles, and the improvement of a separated human asset structural engineering should encourage filling these positions with skillful incumbents, and to guarantee their proceeded duty of the organisation" (p. 304).

Bersin (2007) develop a comprehensive TM framework and the TM process is a circle, which is uninterrupted in case of a linear approach. The focus of framework is to highlight a critical gap analysis for recruitment, training, and development for talented employees. Hughes & Rog (2008), the conceptualization of TM is that "implementation of technology and strategy enabled approach to HRM, with the main focus on HR planning which includes recruitment, retention, development, retention and succession practices of all employees, but those employees have high potentiality. Similarly, The meaning of TM is to apply an integrated set of activities to ensure attracting, retraining, and developing the talented people which a company needs the purpose of future (Pyszka & Gajda, 2015 & Stahl et al., 2007). SHL (2007) defined Talent Management is interconnectedness techniques from claiming recruitment, selection, performance, development, succession and competency management of talented employees in core and key position. Because of being convinced talent management, a subset of broader HRM and encompasses selected HRM practices which focus on attraction, development, and retentions of employees (Lewis & Heckman, 2006).

However, for more conscious understanding the TM concept, some approaches need to be explored. One of the popular perspectives of defining TM is Talent Management known as Succession Planning. To ensure continuously the supply of component employees, a key task in this perspective is to develop "pipelines of talents" (Lewis & Heckman, 2006). In order to secure a supply for future role, TM is the strategic management of continuous talented workforces flow through different types of roles and jobs in any organization (Dutttagupta, 2005). The focus is on organization's development, holistic "talent mind-set" which results in the system of talent pipeline management. This approach is based on an operational research framework and has relationship with the human resource planning and succession planning. Four expected scenarios were prioritized: an inclusive approach focusing on developing each employee who has potentiality; another inclusive approach emphasizing the development of social capital more generally in the organization; an approach of exclusive, that focus on individual's development or another exclusive approach focusing on key roles, positions and talent development to achieve these role Iles et al., (2010). Those comprehensive points of view will be originated from

humanistic ideas. What's more, it sees that conceivably everybody in the association needs "talent" furthermore that those errands will be dealing with all workers to convey high performance.

Hence, this approach needs a more extensive view and recognizes that everybody needs the ability and possibility with show talent, and as a result, everybody ought to be given good opportunity to create his/her possibility on attaining high value. On the other hand, the selected approach needs a limited perspective and recognizes that all employees are not talent in comparison with a small number of talented employees, who convey unrivaled performance and have possibility and ability for future success (Gallardo-Gallardo et al., 2013). A portion of researcher's need advocated a mixture perspective on account it empowers associations to procure the profit from claiming both approaches (Ford et al., 2010). We conceptualize TM in this paper as an integrator approach contributing to attracting, developing, engaging, deploying, and retraining employees having high potentiality or in entering positions individuals, in place to reinforce organizational performance.

In addition, TM is faced with serious challenges turnover in Bangladesh. Several studies suggest that high turnover rate is examined in the banking sector in Bangladesh (Eva, 2015; Ronny, 2015). Banking sector of Bangladesh is one of the fastest growing sectors in the Bangladeshi economy. The growth of GDP is around 6.8 percent in Bangladesh (World Bank, 2017). At present, the banking sector in Bangladesh is among largest employers in the country (Habib, 2015; Boro, 2015). A continuous supply of committed and competent workforces to deliver performance is required to sustain such a growing industry. On the other hand, there is similarly a flip side to Bank's successful story, characterized by a recent spike in yearly turnover rate, (Chowdhury, 2015; Habib, 2015; Islam, 2017). Therefore, the key challenges of banking sector in Bangladesh are talent development and retention. Further, the going up workforce diversity and mobility, retaining top-tier talent is crucial. The case organization, Dutch Bangla Bank is one of the largest private banks in the Bangladeshi Banking sector, headquartered in Dhaka, Capital of Bangladesh (Central bank of Bangladesh, 2017). The bank has been practicing talent management in retaining the profitable position in the sector while the lack of retention of talented employees and lower of use talent management approaches could be the significant reasons. However, there is no exploratory data highlighting the significance of the talent management and how the organizations in the banking industry of the country can take those data into consideration to strengthen existing talent management to retain talented employees for the longer tenure. Therefore, this study aims to examine the talent management systems base on the primary data collected from the participants specifically in the context of Dutch Bangla Bank since it is one of the largest banking organizations in Bangladesh. Thus, the study would contribute to the body of the knowledge and filling the gap regarding the practices of talent management in financial organizations of Bangladesh, which is one of the next 11 economically emerging countries in the world. However, this paper is limited to the conceptualizing on the selected bank, therefore, the paper cannot be applied in case of all the banking organizations in the country.

TM practices

TM at Dutch Bangla Bank is considered as one of the most comprehensive functions providing innovative solution for meeting the requirement of talent. Bank needs to deploy PCMM (People Capability Maturity Model) level 5 with bolstering its TM practices enveloping talent transformation, through learning and development, talent engagement, rewards and

recognition, knowledge management (KM) and technological deployment such as social media. It acts similarly as an integrated system on help benefit of the business necessities including determining from claiming ability of talent demand and supply, manpower planning, reliable for quality, cost and turn-around time. It, moreover, offers resourcing and staffing arrangement to deliver employees' requirements, giving MIS/reports for managers and staffs, 24x7 helpdesk help (voice Also non-voice) to workers over geographies.

Research Methodology

The qualitative data were collected from primary and secondary sources. We conducted semi-structure interview with 8 employees at Dutch Bangla Bank limited and content was analyzed to categorize how talent is intellectualized and the TM practice of Dutch Bangla Bank was explored.

Talent development

Because of various perspective that exists, talent development was introduced in the literature to be an area that should be given more attention (Erasmus., et al 2017). Development of talent focuses on learning, leadership development, career development, performance feedback and recognition (Naim & Lenka, 2017). Organizations provide opportunities for challenging work assignment, a career path to every employee and a strong learning curve. They provide employees with a unique online learning experience, customized to suit their individual learning requirement aligned with goal of provincialism. They also pay attention to give online learning modules to raise technical, behavior and domain competencies. Monitoring is another initiative applied to talent development. Meyers et al., (2013) paid attention that TM should focus on the experience-based development with on- the- job learning as one of the learning as one of the driving forces of the development process in a cost-effective manner.

Performance Management

To evaluate and measure review of performance, Banks provide flexible employee performance management (RPM) which includes goal management, performance appraisals, multi-rater/feedback, succession planning and development planning. The "Training and Learning" function caters to learning needs of more than 60,000 employees. The key parameter in the performance management system is knowledge sharing behavior of the management. Performance management (PM) is a continuous process to identify, measure and develop the performance of individuals and terms and aligning performance with the strategic goals of the organization (Aginis et al., 2012). PM is about how to create, control and measure a culture of performance, where the system should control which the employee does the precise things, not things right. The characteristic of successful enterprises is that they cascade their goals (Wikstom & Martin, 2012). It includes goal management, performance appraisals, succession planning, and development planning (Naim & Lenka, 2017). PM has five major dimensions; 1) organization's visions, strategies, and goals, agree with staff member's personal objectives and goals, 2) personnel's goals and goals of the organization agree, 3) performance benchmarks should be based on the value position, 4) we must be able to determine, measure, and realize goals that should be practical and limitation of time, and 5) Evaluation of performance should be to decide how far it agrees with goals (Coetsee, 2004 & Nafei, 2015). Revising performance is pivotal to TM

due to clarification of reward system, succession plans, and staff development, helping estimate powers of the workforce and giving feedback to the employee (DuBrin, 2005).

Recognition and Rewards

Bank emphasizes on the accomplishments of employees through different activities, for example, lucrative individualized benefits, stock options, and rising of merit-based payment. Remunerates, specifically, would acknowledge vital to retrain of talent pool. Therefore, fiscal remunerates including adaptable benefits and verity of payment are applied to effectively motivate and retrain employees having high potentiality. Those variable part lie amidst 5-50 percentage depending upon the hierarchal level. Further, there is equity-based recompense through confined stock Units for center and top management. Components such as acknowledge from senior management, certificates of appreciation, reimbursed workshops and training sessions, membership to exclusive clubs, and paid sabbaticals are the non-monetary rewards. Moreover, another activity known as “encore” gives a crate from claiming non-monetary remunerates to rouse employees and distinguish their high achievements. Furthermore, the “feather-in-my-cap” Honor offers a moment distinguish from claiming an effort, critical to venture execution. Finally, the award “mastermind” notes solution or idea, which is most innovative, while recognition of hall of farm, is the high performers in team and individual roles. Compensation and rewards of TM are highly recommended because employees value incentive and bonus schemes to keep valued staffs. Short courses, less working period and access to conferences are more effective for the talent management (Richman et al., 2008 & Nafei, 2015). In case of having life insurance, disability insurance and flexible hours, Employees have more commitment to any organization (Kirkland, 2009). Coetsee (2004) & Nafei (2015) to exert more effort, they affirmed the importance of rewards for valued employees for them. Because of insufficient remuneration and reward, talented employees leave the organization (Mwangi, 2009). Organizations try to tie the compensation plan directly to performance management so that compensation, incentives, and benefits align with business goals and business execution.

KM

The effectiveness of KM creates, disseminates and provides to knowledge of business. Yellow pages, social interest groups, discussion groups, and communities have employee’s connection with knowledge sharing. Significantly, Dutch Bangla Bank applies tools/technology with empowering allowed stream for learning over the benefits of the business techniques and type a regular repossess which includes SAP, CRM, and so forth. Also, there are KNET provisions for example, such that DockKNet – a repossess from claiming documents going from specialized foul documents, preparation content, deals support, and business updates. KoNnEcT– Yellow pages go about as a database from claiming experts, queries, and appraisals.

Social Media

Application of online networking is utilized for recruitment, engagement and empowerment, and retention of employees having talent. Bank launched “ Channel W” as a communication channel, having classifieds and matrimonial posting sections. Tool of internal social networking has relationship with Twitter and Facebook integrating employees’ both personal and professional lives. Moreover, 3,264 web groups are applied for promoting collaboration, ideation, networking

and innovation among geographically scattered employees. Further, for a knowledge repository, the Bank introduce (K-Net) which helps employees to give opinion on posts of blog, chat with colleagues, and converse with crucial issues with HR. Applying Facebook page and carrier oriented pages of website relating to the bank can attract confident employees and communicate the brand of employer.

Conclusion

Significantly, young talent pool of Gen Y cohort at present caves nonstop learning and developmental opportunities (Naim & Lenka, 2016). Talent development is crucial for business in bank. Moreover, implementation of TM in the selected bank is robust and TM practices such as talent management, KM, reward and recognition, and social media usages are examined in reality. In view of the interview and subsequent content analysis, given themes were emerged: having high potential employees are talented employees, those who hold key or pivotal positions, directly contributing to superior organizational performance; the key aim of TM is to attract, develop, engage, deploy, and retain talented employees; talent development, KM, performance management, rewards and recognition, and social media are the certain practice.

Figure 1 Talent management framework at Duch Bangla Bank



Therefore, recommendation of banks is to revitalize their existing strategy of TM by embracing aforementioned TM of bank. Retaining and developing the best talent, this will help them for strategic competitiveness. Although Bangladesh is an over-populated country with educated, skilled and semi-skilled human resources, there is still a shortage of talented employees, who possess relevant skills and competencies required to excel in professional lives. Therefore, organizations, instead of focusing on acquisition of talents from external sources, should invest in developing internal talents, i.e. cultivation of employees having competencies and skills.

The culture of talent development precisely should be emphasized to adapt practices such as mentoring, social media for employees, knowledge sharing, and non-monetary incentive such as stock plan akin to the case organization. In doing so, it considers the present demographic dynamic with an ever-increasing representation of young employees, i.e. Gen Y or Millennials (Naim & Lenka, 2017a), which is essential to reassure technological intervention such as social media for use of employees. Social media plays an important role to foster internal communications, knowledge sharing, recognition programs, learning, and development, having significant implementation for development and engagement of talent (Naim and Lenka, 2017b; Vuori, 2012). In addition, to facilitate knowledge sharing, communities of practices should be developed within the organization since they create learning opportunities to develop competencies of employees.

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