In recent decades, organizations have increased their efforts and focus on talent management aspects, ensuring the well-being and personal development of their workforce, hence creating an “employer of choice” image for themselves.
Introduction

In the first instance, talent management refers to an organization’s commitment to recruit, retain, and develop the most talented profiles available in the job market, taking into account global demographic shifts, widening skill gaps and the entry of a more flexible and technology-driven generation into the employment market. As such, how can we ensure that talent welfare and development is aligned to the corporate strategy?

Rather than just taking into account employees’ well-being and personal developments, organizations also need to ensure the general task of achieving their overall strategic objectives. Consequently, an organization’s human capital now, more than ever, needs to become an essential part of the business strategy.

Comparisons between public and private sectors have become increasingly commonplace in recent decades as public entities have been facing increasing pressures on the attraction and development of talents. As such, to what extent do talent management considerations in the public sector diverge from those in the private sector?

Talent aspirations in a new era of employment

Throughout the past decades, the employment market has observed important shifts in the desires and aspirations of employees. We have moved from a job security era, where employers would define a person’s career by providing them with a sense of belonging, to an era of infinite employment opportunities where employees can relate to their potential employer of choice.

Such shifts are a consequence of different external drivers, such as the globalization of markets, growing economies, increased market competition, and disruptive technologies, which have had a different effect on several generations (baby boomers, Generation X, Millennials and Generation Z) present in the employment market today.

Therefore, when elaborating on the talent management life cycle, organizations need to consider the different needs and aspirations of their taskforce and/or the profiles they seek to recruit.

What are today’s talent aspirations?

When analyzing talent aspirations, it is important to take into consideration two major axes: attractive job components and relation to the job content.

According to a Deloitte study conducted in 2014, the most attractive component for talents within an organization and to which they could relate the most is personal development and career opportunities, followed by performance recognition, whereas the salary component only ranked in the third place.

People are competitive by nature and need to feel constant and continuous personal improvement. If people feel fulfilled and recognized within their day-to-day job they will be motivated to perform at higher levels and potentially transfer their gained knowledge to younger generations, ensuring the continuous improvement of the organization’s overall activity.

Moreover, constant development within a firm and continuous improvement of a person’s skill set and knowledge will increase their employability.
Rather than adapting to predefined market trends, entities should focus on their personal objectives and strategic vision

Talent management in a new era of employment
As mentioned earlier, it is very important to take into account shifts within talent aspirations and career development needs. However, even more important is to align the talent management strategy and life cycle to the business’s overall strategy.

Therefore, when establishing a talent management strategy, an organization should be clear about its goals and objectives. Talent management should not only be about developing talents, creating successors, having the most educated workforce, or limiting turnover/recruitment to a specific percentage only because benchmark studies showed that those were the market trends.

Rather than adapting to predefined market trends, entities should focus on their personal objectives and strategic vision. The talent management strategy should then be defined in a clear goal to help achieve those objectives.

When aligning talent management to a business’s overall strategy, it is crucial to understand the costs, as well as the advantages associated with talent decisions.

The first step in achieving an effective talent management strategy, is the complete understanding of today’s business requirements, as well as shifting customer demands, competitor innovations, regulatory changes, and other outside factors. How an organization responds to and/or predicts such changes in the market is the stepping stone to achieving a competitive advantage over competition. An absolute understanding of such factors will allow entities to define (i) the different competencies and skill sets it needs and (ii) the number of people at specific job positions, at a specific point in time in order to perform future operations.

As such, the integration of talent management within the overall business strategy will allow specific targets to be integrated within the talent management life cycle, as opposed to proceeding based on market trends and benchmarks.

How does the talent management life cycle cope with the overall business strategy?
Major talent management aspects are composed of three different components, namely:
1. Talent attraction and recruitment
2. Development & deployment
3. Talent retention

The understanding of the overall business strategy and the global vision of where the organization is heading will allow those three major steps to be aligned accordingly.

Attracting and recruiting talent
Nowadays, organizations often undermine the cost of recruiting the wrong talent, with a great gap in the required competencies and skill sets. Failing to recruit the right people at the right time can result in significant costs for an organization. An increased gap in competencies will have negative effects on the business’s operational functions and, moreover, might lead to incorrect information/knowledge transfers, spreading throughout the organization with a domino effect.
Furthermore, it is important to note that, contrary to many perceptions, recruitment processes can be arduous and specific profiles may be difficult to find. As such, precise information of future proceedings will allow the HR function to adapt its attraction and recruitment strategy accordingly, hence seeking specific profiles with specific skill sets.

In addition, when aligning the business strategy with the talent management recruitment processes, effective workforce planning should be used. This will allow entities to predict through analytics the number of people with a specific skill set they will need in several years, based on specific provided external and internal factors. Using such analytical methods decreases the probability of managing competency gaps within organizations and increases recruitment effectiveness.

Developing and deploying talent
The development and deployment of talent needs to be adapted to future business requirements and proceedings, hence in line with the overall business strategy.

Nowadays, we live in an era of customization, ensuring specific needs are fulfilled for specific clients in order to ensure full client satisfaction. The same should apply to an organization’s internal development programs.

When establishing a development strategy, organizations have to strike the right balance between future business requirements, employee aspirations, and critical positions and workforce segments. Taking into consideration future business needs will help define future job requirements. Rather than always recruiting new talent with those specific requirements, entities should try to develop those competencies internally.

Afterwards, creating development plans based on employees’ personal aspirations, as mentioned above, will increase employee satisfaction levels, as well as motivation and most probably employee productivity.

Finally, developing competencies of critical positions and workforce segments will enable knowledge transfer to other employees, thus making an organization less dependent on specific profiles.

Retaining talent
Retaining talent is one of the biggest challenges organizations face. Staff turnover is costly and uses valuable resources to find and train new employees. Employees left to fill in for their departing colleagues have a heavier workload that depletes their productivity, further impacting the bottom line.

How do organizations best deal with this challenge?
A reality is that talent departures cannot be avoided; however, they can be anticipated and/or limited to a certain extent.

For departures that can be anticipated/limited it is very important for an organization to try to understand the "why?" behind the employee's departure. What can be observed in most cases of avoidable departures is that employees are no longer fulfilled by their daily responsibilities, and they feel stuck in the development
of their own career and experience a lack of work-life balance. Internal tensions between employees and their superiors, which might lead to a feeling of not being recognized within the firm, may also explain such departures.

We can therefore see the link between the previously mentioned aspects that define an employer of choice and the most common reasons behind avoidable departures. In order to address talent departures, the most commonly applied best practice is the use of exit interviews. These will allow any organization to keep track of lessons learned and try to avoid a similar event from reoccurring.

Moreover, another common practice is the promotion of internal mobility by organizations. This provides employees with a wider range of choice and increased flexibility in their career opportunities, hence dealing with the issue of fulfillment derived from day-to-day responsibilities. Internal mobility will therefore allow employees to gain a greater understanding of the full functioning of the entity, which might lead to greater development opportunities.

Talent management in the public sector
As already mentioned, talent aspirations have shifted from seeking stability and job security to increased professional recognition and career development. As such, in order to stay competitive and attractive, the public sector has to ensure the right talent management proceedings are in place, and beyond that, adopt the right state of mind to attract, develop, and retain competent employees.

However, does talent management in the public sector need to take into account the same considerations as in the private sector?

Indeed, the state of mind of a public organization is quite different from that of a private organization. A private organization is driven by ultimate business goals that (i) create and maintain business viability with adequate returns to shareholders and (ii) strive to sustain a competitive advantage within its respective market. As such, its talent management strategy should reflect competitive aspects needed to strive within its market.

By contrast, when we look at public entities, we see that their purpose is very different. Even though they seek viability from a cost perspective, their ultimate goal is to serve the purpose of a greater force: the country itself. In addition to the sole purpose of government entities, the profiles present on their premises are different.

For the public sector, the talent challenges revolve more around the availability of resources with the right skills and capabilities at the right place in the near future.
According to a survey conducted by Deloitte in 2014, there are far more employees above the age of 55 in the public sector than in the private sector. As such, over the next few years, due to higher retirement rates of the “baby boomer” generation, public entities will face increased challenges in attracting their talents. Therefore, it will be essential for government organizations to ensure (i) the right knowledge transfer to younger generations to ensure continuity of expertise and competencies and (ii) an attractive recruitment strategy, taking into account talent aspirations and development programs.

However, the same issue is not as clearly apparent in the retention aspect of talent management in the public sector. Due to labor agreements and strong values of belonging, public sector entities generally face very low turnover rates on average. The problem statement of governments in retention debates would most probably occur in cases where a certain population reaches a specific cap in its career and would seek new challenges and development opportunities.

What does this mean in concrete terms for the public sector from a talent management perspective?

When attracting talent, governments should bear in mind the predicted event of increased retirement rates and a potential lack of talent inflow with the right skills and competencies. As such, in quite a similar way as for the private sector, government entities should analyze concrete outflows of “baby boomers”, identify competencies and skills that would be lost, and prepare the transition accordingly. This will allow governments to prepare accurate knowledge transfer to the right populations, as well as specific recruitments based on future needs in skills, competencies, and mind sets.

Afterwards, from a talent development point of view, this will be the same as for the private sector. Aspirations are not linked to any sector but to human nature itself. As such, employees, as we know them today, need to feel fulfilled and recognized in their day-to-day activities, but more importantly need a sense of career progression. Developing talents and building knowledge will address those expectations to some extent. Furthermore, due to the predicted outflow of soon-to-be-retired “baby boomers”, the knowledge transfer and development of skills and competencies is now, more than ever, essential for governmental entities.

Finally, as regards retention of talents, governments should try to rethink career models, increasing career challenges and responsibilities. This will allow the taskforce’s motivation levels to increase and facilitate a healthy work environment.

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**Conclusion**

- Understand personal aspirations of the workforce
- Align talent management with the overall business strategy
- Decrease competency gaps through prediction of recruitment needs, in line with the business strategy
- Develop and deploy the taskforce based on personal aspirations, business needs, and critical positions and workforce segments
- Understand reasons behind employee departures to avoid recurring departures for the same reasons
- Do not close the door to people you could not retain
- Even though the initial goals of the public and private sectors diverge, Talent Management aspects are quite similar with a few different areas for consideration