

UNIT-5

Effectiveness of Talent Management in India

Talent Management Crisis of India



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- ▣ the Indian economy is set to surpass all the powerful global economy by 2020.
- ▣ Report suggests that by 2020 Indian population will have an average age of 28 years.
- ▣ Currently 60% of the population has more than 30 years of productive work life. Rarely has any country had 500 million people with so much productive work life.

challenges

- ▣ Traditional education system which doesn't have any relevance to the new economy.
- ▣ Estimates suggests that by the year 2010, Banking industry will add 1.1 million new jobs, Retailing will add 1.5 million jobs, Telecom 4.6 million and Hospitality 33 million jobs.
- ▣ The scarcity of industry ready talent has resulted in too many employers targeting the same limited talent pool there by enhancing the attrition rate to 20 to 30 percent across Indian industries (CII).

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- ▣ Plummeting average work age leading to middle management talent crisis and the challenge of young leading the young

Identification and Acquisition of talent

- ▣ Translating organizational vision into goals and mapping the required level of capacities and competencies to achieve goals
- Assessment of talent to profile the level of capacities and set of competencies possessed within the organization
- Gap analysis and identification of development path for internal talent
- Acquiring talent other than those available internally from the external market

Reliance retail has taken the following initiatives for talent acquisition:

- ▣ All organized retail & big stand alone store manpower mapped.
- Survey undertaken to understand consumer behaviour and link it to key attributes for potential hires.
- Creation of level wise compensation ranges for scientific lateral hiring and fitment.

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- ▣ • Source of acquisition of talent used are Job portals (71%), Employee referrals(26%) and Head hunting (3%).
- Establish a scientific approach to hiring and position HR as a Business Partner. • Tapping prospective candidates for Associate level positions from
 - Livelihood Advanced B-School/ NGO's like Akshay Patra
 - - Computer Institute/ Language/ Coaching Institute/ College
 - - Employee Referral scheme
 - - Employment Exchange

Talent development in India

- ▣ Talent development requires corporate India to give more emphasis to restructure the external talent supply source.
- ▣ In this context, Sunil Mittal, CEO of Bharti Televentures and president of CII comments that managing talent is possible through creation of skilled workers for industry. “My mantra is setting up a skill development bank, and a national skills development authority” he said.

ICICI's initiative of talent development is

- ▣ Partnering with NIIT to create the institute for Finance, Banking and Insurance. This will deliver 5000, 6-months pre trained employees in the first year and by year 3 it will deliver 25,000 pre trained professionals to the industry.

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- ▣ • Investing in the Academy for Banking and Insurance in alliance with Manipal University, which in year-1 deliver 1000 Managers who have been pre trained for one year. By year 4 this will deliver 4000 banking domain trained managers.

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- ▣ • Creation of a slew of Academies for Banking Sales, Credit, Collections, Operations etc. which will deliver high quality accredited professionals year after year.

Talent Retention: IN India

- ▣ The CII report on employee attrition suggest about 20- 30 percent attrition in Indian industries.
- ▣ The average attrition rate in BPO sector is hovering around 35% in FY 2007, average attrition rate in BFSI sector rose from 32% in FY 2006 to 44% in FY 2007 and the manufacturing sector is also facing an attrition rate of 20% .