

Оригиналан научни рад

Примљено: 6. 10. 2014.

Ревидирана верзија: 19. 11. 2014.

Одобрено за штампу: 18. 6. 2015.

UDK 351.82

TALENT MANAGEMENT: OPPORTUNITIES AND LIMITATIONS FOR SERBIAN ORGANIZATIONS

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Abstract

The importance of talented individuals for economic development has led to a “war for talent” at the global level, which implies a strong attraction and recruitment of talent by the state and companies. The direct consequences of this behaviour are reinforced by demographic trends and changes in the labour market. The main objective of this paper is to identify key talent management activities and to determine the impact of talent management on organisational performance related to services to customers/clients and on employee motivation and satisfaction through a study that was conducted on a sample of companies from Serbia. The results of the empirical research presented in this paper show that not all talent management activities develop to the same extent and that talent management has a positive impact on organisational performance of employees, which affects their motivation and satisfaction. The research results provide clear guidelines for improving talent management activities as well as suggestions for retaining talented workers in the organisation.

Key words: human resource management, talent management, motivation, organisational performance, employee satisfaction.

УПРАВЉАЊЕ ТАЛЕНТИМА: МОГУЋНОСТИ И ОГРАНИЧЕЊА ЗА СРПСКЕ ОРГАНИЗАЦИЈЕ

Апстракт

Значај талентованих појединаца за економски развој довео је до „рата за таленте“ на глобалном нивоу који подразумева снажно привлачење и ангажовање талената од стране држава и предузећа. Директне последице таквог понашања су појачана демографска кретања и промене на тржишту радне снаге. Основни циљ рада је да идентификује кључне активности управљања талентима, да утврди утицај управљања талентима на организационе перформансе повезане са услугама купцима/клијентима и на мотивацију и задовољство запослених кроз истраживање које је спроведено на узорку предузећа из Србије. Резултати емпиријског истраживања који су представљени у раду су показали да нису све активности управљања талентима у подједнакој мери развијене и да

управљање талентима има позитиван утицај на организационе перформансе повезане са запосленима из чега проистиче њихова мотивисаност и задовољство. Резултати истраживања дају јасне смернице за унапређење активности управљања талентима, као и предлоге за задржавање талената у организацији.

Кључне речи: управљање људским ресурсима, управљање талентима, мотивација, организационе перформансе, задовољство запослених

INTRODUCTION

The knowledge economy has accelerated the creation of new relations between employees and employers, in the sense that workers are no longer seen as a cost, but as creators of new values through the pragmatic use of knowledge. Knowledge, skills, and competencies play a key role in the determination of the business strategy and market positioning, with traditional resources and technology being only the means to the realisation of knowledge-based competitive advantage. The intensive use of knowledge in business processes in most workplaces has led to the revival of the paradigm of knowledge workers. They refer to the employees whose work is to a large extent based on the processing of information, rather than the transformation of physical goods. When performing their tasks, knowledge workers use organisational knowledge and work on its improvement (Von Nordenflycht, 2010).

Intensification of the use of knowledge in the business activities of organisations has led to the changes in the structure of demand in the labour market, reflected in the increased demand for talented and highly educated individuals. In addition to the possession of knowledge and skills in particular subject areas, employees are expected to possess a particular talent for the job. Brown and Hesketh (2004) suggest that companies nowadays are increasingly oriented towards seeking employees who can meet the challenges of the company, and who exhibit a certain level of leadership skills and work creativity. Therefore, the process of recruitment and selection is increasingly focused on finding talented employees, especially for managerial positions, which increases the demand for talented individuals in the labour market.

Deficit of talent in the labour market has been caused by a number of factors, which can be summarised as follows (Krell, 2011, p. 1): 1) the aging of the population; 2) the education system that does not generate enough graduates and potential employees with the skills needed to fill important positions; 3) insufficient investment in organisational training; and 4) the shift to the knowledge economy, which is encouraged by qualified and well-trained knowledgeable workers. Because of all the above, talent management for employers has become as important as the management of the knowledge and skills of employees. According to Tarique and Schuler (2010), the process of talent management is achieved

through three key activities: attracting talent, developing talent, and retaining talent.

The research model of this study was determined based on the fact that talented individuals represent a particularly important segment of the total labour corpus and that their impact on economic phenomena and organisational outcomes has been confirmed in the previously conducted studies. The purpose of this research is to investigate the justification of investing in talent management practices, through the identification of the impact of talent management on organisational performance related to services to customers/clients and organisational performance related to employees, and to identify opportunities for better talent management practices in local companies in order to achieve better organisational performance, which could lead to higher added value, wealthy society, and better quality of life of each individual.

The main objectives of the study are: first, the identification of key talent management activities, based on the observed sample; second, the determination of the impact of talent management activities on the organisational performance related to services to customers/clients, and third, the determination of the impact of talent management activities on the organisation's performance related to the employees.

The research presented in this paper covers theoretical and empirical research. The first phase of the research, based on the methods of analysis and synthesis, provides a review of the relevant literature in the field of talent management, on the basis of which the research hypotheses are defined. The original empirical survey covered 200 randomly chosen organisations from the database of the Business Registers Agency, based on the predefined limiting criteria. A total of 78 valid questionnaires were collected, with an overall response rate of 39%. The respondents in the survey were executive managers, human resource managers, and directors or heads of the business units. The analysis of the mean values of the state of observed variables resulted in the conclusions about the level of development of individual talent management activities within the observed sample, while the regression analysis investigated the claims of the defined hypotheses.

REVIEW OF PREVIOUS RESEARCH AND THE DEFINITION OF HYPOTHESES

Employees' talent can be seen as a complex combination of skills, knowledge, abilities, and cognitive potentials (Tansley, Harris, Stewart & Turner, 2006). In fact, talent is a set of employees' ideas, knowledge, and skills, which give them the potential to generate excessive value in relation to the available resources (Goffee & Jones, 2007).

Talent management is a holistic and strategic approach to business planning and human resource management, and a new way of achieving organisational efficiency. This approach provides the improvement of performance and potential of people, i.e. talents, which can bring a measurable difference to the organisation in the present and the future (Ashton & Morton, 2005).

Although it is a new concept in human resource management, which is also successfully applied in practice, talent management has not yet been clearly constituted, which is why the process of critical re-examination takes place in parallel with its development. Summing up the results of the practical and theoretical results in this field, Lewis and Heckman (2006) identified three talent management perspectives: talent management is just a new term for human resource management; talent management is the application of the best practice of human resource management; and, talent management through differentiation of outstanding workers in relation to the average workers.

The first perspective points to the focus of research studies on partial human resource management practice, which supports the talent management system, and which has, as such, been already studied to a great extent through research on the strategic human resource management. In this way, it suggests the need for more sophisticated research that will essentially deal with the problems and practice of talent management at the organisational level.

The second perspective points to a connection between talent management and the human resource planning practice, emphasising that there is no clear distinction between talent planning and human resource planning, apart from the fact that talent management involves the formation of a pool of talents who are hired as needed and the achievement of flexibility in labour relations.

The final perspective relates to the perception of talent management as a “generic” process, in which a greater degree of focus should be placed on the natural talents that the individuals possess, and that can, as such, be used in the organisation, rather than on the repair or improvement of the less pronounced potentials of employees, with the main objective to improve organisational performance.

In later research, the aforementioned authors added the fourth perspective, which emphasises that talent management includes activities and processes that

“involve the systematic identification of key positions, which differentially contribute to the organisation’s sustainable competitive advantage, the development of a talent pool of highly potential and highly performing incumbents to fill these roles” (Collings & Mellahi, 2009, p. 305).

By exploring the talent management practice, Cappelli (2008) proposed the application of four principles:

- Resolution of the dilemma whether to make or buy talent to manage risk – Internal talent development requires significant investments, and organisations in certain situations should consider hiring talents from external sources, rather than from internal pools.
- Adaptation to the uncertainty in talent demand – The first way of adaptation involves shorter programs of development of talents with general knowledge and skills, which can be specialised after some time. Another option is to create a pool of talents, which is used by a variety of business units within the organisation.
- Improving the return on investment in developing employees – This can be achieved through voluntary programs and by maintaining relationships with former employees, who would in time have to be rehired.
- Preservation of the investment by balancing employee-employer interests – The main reason for talent departure from the organisation lies in the finding of better conditions, which is why organisations need to focus their efforts on keeping them, as long as their demands are rational and economically justified.

Implementation of these principles may allow the maximisation of effects of recruiting talents, but also for constituting the system of talent management or its optimisation. Phillips (2008) suggests that organisations do the following in the establishment of the talent management system: 1) Initiation of the talent management process and practice across the organisation, in order to identify and align key talents with business initiatives that create the most value; 2) Holistic management of internal and external pool of talents, in order to attract and hire the best talents, as well as the alignment of alternative pool of talents, comprised of contract and older workers, who already have a key role; 3) Identification and formation of a pool of talents within the management structures, which is at all times ready to support new initiatives; and 4) Implementation of integrated and flexible talent management systems and processes that can quickly change and adapt to business needs.

The implementation of the talent management strategy is practically implemented through activities aimed at creating and maintaining the pool of talents in the organisation. For the purpose of the present study, the approach developed by Tarique and Schuler (2010) was applied, according to which the process of talent management goes through three key activities: attracting talent, developing talent, and retaining talent.

Prior to the formation of the pool of talents, it is necessary to analyse the strategic impact of the hiring of talents in the organisation, because they typically cause higher costs than other employees. If the benefits of hiring

talents are higher than the cost they incur, the formation of the pool of talents within the organisation can begin. During the process of the formation of the pool of talents, it is necessary to consider its structure, i.e. define the types and positions of employees who will comprise it. In this way, the needs for talents and the offer of talents, which is defined in the pool of talents, are further aligned. In fact, the main purpose of talent management strategy is the formation of the pool of talents, its maintenance through the use of various tactics, and its alignment with organisational needs.

Output, i.e. the performance of talents, can be viewed at the individual level or at the organisational level, when talents' actions are judged in relation to their impact on the organisational performance that can be synthesised in different ways. One classification was given by Dyer and Reeves (1995), who distinguished between: 1) Financial results (e.g. profit, sales, market share, Tobin's q, and the like); 2) Organisational results (e.g. productivity, quality, efficiency, and the like); and 3) The results related to human resources (e.g. attitudes and behaviour of employees, satisfaction, commitment, intention to leave the organisation, and the like).

The positive impact of talent management on a number of organisational outcomes has been confirmed by empirical research. Thus, for example, research conducted by the consulting company Hewitt Associates (2003) found that talent management had a positive impact on financial performance. On the other hand, research conducted by Lewin, Massini and Peeters (2009) found that talent management had a positive impact on innovation, and that, therefore, many companies used offshoring options to gain access to the necessary talents.

Based on the literature review and the above considerations, it is possible to formulate Hypothesis 1.

Hypothesis 1: Talent management has a positive impact on organisational performance related to services to customers/clients.

A very important part of the talent management strategy is retaining and developing talent in individuals (Schweyer, 2004). These issues become more significant if one takes into account the rising costs of recruiting talent, and their deficit in the labour market. Consequently, retaining key talent in organisations needs to be supported through the human resource management activities that are additionally adapted to talents, and are related to the development of individual career plans and development programmes that encourage and stimulate employees to grow within the organisation.

Regardless of the attractive employment conditions, which organisations are willing to offer, there are a number of reasons (cultural and language barriers, family relationships, the relationship between work and leisure time, and the like), for which the talented individuals decide not to change the environment in which they currently live. Therefore, many

organisations wishing to attract the best talents must provide the working environment where people can express their potentials, and offer the same conditions in the countries where talents abound (Collins, 2011). Accordingly, it is considered that the organisations looking for talents will be increasingly internationalised, and that they will perform displacement and concentration of their resources in countries where the local labour market does not offer enough talented individuals.

In support of the previously presented considerations, Kaye and Jordan-Evans (2002) point out that retaining talented individuals in the organisation requires the prediction of individual retention plans that emphasise development and a good balance between work, on the one hand, and leisure time and family life, on the other hand (work-life balance).

Talent management activities aimed at retaining talents, in addition to their primary role reflected in retaining talented individuals in the organisational pool of talents, should contribute to an increase in employee satisfaction, because this increases the probability of retaining talent in the organisation in the long term. Through the creation of a higher level of pleasure of talented individuals, the preconditions for easier attraction of new talents into the organisation are created and better organisational performance through increased employee motivation is achieved.

Bearing in mind the previous theoretical considerations, we can formulate Hypothesis 2.

Hypothesis 2: Talent management has a positive impact on organisational performance of employees, which affects their motivation and satisfaction.

RESEARCH METHODOLOGY

Researching of the talent management practices was conducted on a sample of organisations with more than 50 employees. The reason for this lies in the fact that earlier studies found a statistically significant difference in the level of formalisation of the human resource management practice in small and medium-sized enterprises, as compared to large enterprises (Kotey& Slade, 2005), while research conducted on a sample of 142 domestic companies confirmed that there was no statistically significant difference in the area of recruitment, selection, and training in small and medium-sized enterprises, as compared to large enterprises (Slavković, 2011). Another reason is the assumption that organisations with more than 50 employees can develop a talent management strategy (Darroch, 2003).

In determining which organisations can constitute a sample, two additional limitations were arbitrarily introduced. The first refers to the age of the organisation. The minimum limit that was set was five years, based on the assumption that it takes some time from the start of business

to the complete constitution of the employee corpus and the definition of talent management strategies. The second limitation applies to public, i.e. state-owned enterprises, as the research confirmed the existence of differences in human resource management in these companies, as compared to private companies that are exposed to market competition (Townley, Cooper & Oakes, 2003).

An additional argument is the fact that in the Republic of Serbia, the average salary in the public sector and state-owned companies is higher than the average level of salaries in private firms, and that many state-owned enterprises are natural monopolies, so it is difficult to define objective criteria for assessing organisational performance, which is why the sample is comprised only of private business organisations, regardless of the origin of capital (domestic or foreign). The sample included business organisations operating in all sectors of the economy.

Using the data from the Business Registers Agency, 200 private business organisations were randomly selected so that the procedure of data collection could start. In order to provide a relevant number of organisations for the sample, data collection procedure was conducted in three phases, in accordance with the recommendations made by Menon, Bjaradwaj, Tej, Adidam and Edison (1999). The first phase included sending the initial e-mail or making a direct telephone call, in order to explain the purpose and the subject of the research, and gain initial approval for participation in the research. The second phase included sending the questionnaire with a cover letter via e-mail. After two weeks, 57 completed questionnaires were received, so the initial response rate was 28.5%. The third phase of data collection meant making additional phone calls or sending additional reminders regarding the completion of the questionnaire via e-mail.

The third phase of data collection was completed in two weeks, and the total number of completed questionnaires was 81. Three questionnaires were rejected as invalid: two questionnaires were only partially filled, and one questionnaire was rejected because the number of employees was less than 50, due to the fact that the number of employees additionally decreased during the current year in relation to the data given in the official financial statements relating to the previous year, which were, as such, available to the Business Registers Agency. A total of 78 valid questionnaires were collected, with an overall response rate of 39%. The respondents who participated in the survey were executive managers, human resource managers, and directors or heads of business units, who are well acquainted with the subject of research and opportunities in their own organisation. The statistics of the sample are given in Table 1.

*Table 1. Characteristics of organisations in the sample:
a summary report*

	Frequency	(%)
Number of employees		
50-249 employees	36	46.2
Over 250 employees	42	53.8
	Sum	78
		100.0
Sector		
Production	41	52.6
Trade	13	16.7
Service	24	30.8
	Sum	78
		100.0
Structure of majority ownership		
Domestic private capital	45	57.7
Foreign private capital	33	42.3
	Sum	78
		100.0

Table 2. Talent Management: items

TMatt – attracting talent	
TM1	Organisation implements different strategies for recruiting talented individuals.
TM2	Organisation makes efforts to engage individuals capable of creative thinking.
TM3	Process of selection in an organisation is focused on candidates with high development potential.
TMdev – developing talent	
TM4	High-performance talented employees have access to training aimed at developing potential.
TM5	Trainings activities are focused on developing specific competences and skills that the organisation needs.
TM6	Organisation focuses employee training on mentoring and coaching.
TM7	Organisation has a group of talented employees whose skills are aligned with business development.
TMret – retaining talent	
TM8	Organisation has development programs for employees with high potential for performing operations.
TM9	Organisation has career development programs for talented individuals.
TM10	Organisation has developed programs for retaining high-potential employees.

To measure the state of all variables, the 5-point Likert scale was used. In order to achieve high internal consistency (Cronbach's alpha coefficient) of each item, i.e. variable, the items that have been tested in numerous previous studies were used. Each item was translated and linguistically adjusted to the terminology of local talent management practices, in all those situations where it was needed. For the purpose of data processing, the statistical package SPSS, version 13.0, was used.

Table 3. Organisational performance: items

OPscc—organisational performance related to services to customers/clients	
OP1	Product/service quality is better than the competition.
OP2	New product/service development is better than the competition.
OP3	Customer/client satisfaction is better than the competition.
OP4	Organisation is capable of fast and effective response to technological and market changes.
OP5	Organisation quickly solves new problems.
OP6	Organisation has a good reputation.
OPemp—organisational performance related to employees	
OP7	The ability to hire talented individuals is greater than the competition.
OP8	Employees are proud to be part of the organisation.
OP9	Organisation inspires employees to do their best when performing tasks.
OP10	Employees express enthusiasm at work.
OP11	Manager-employee relations are good.
OP12	Generally, relations between employees in the organisation are good.

Independent variables: Talent management activities – attracting talent, developing talent, and retaining talent – were measured through the items presented in Table 3, based on the research conducted by Sheehan (2012), Darroch (2003), Lopez-Cabrales, Pérez-Luño and Cabrera (2009), Haines III and Lafleur (2008), and Kuo (2011). The combination, selection, and adaptation of items were performed, according to the needs of research in Serbian companies. Activities related to attracting talent were analysed through three items (TMatt), activities related to developing talent were analysed through four items (TMdev), and activities related to retaining talent were analysed through three items (TMret).

Dependent variables: Organisational performance was observed in two segments: organisational performance related to services to customers/clients (OPscc) and performance related to employees (OPemp). In assessing organisational performance, we used the items (Table 4) which have been confirmed in studies developed and used by Delaney and Huselid (1996),

Jaw, Wang and Chen (2006), Green, Wu, Whitten, and Medlin (2006), Ling and Jaw (2006), Lee, Lee and Wu (2010), Goldoni and Oliveira (2010), Sheehan and Cooper (2011), and Navarro, Dewhurst and Eldridge (2010).

RESULTS AND DISCUSSION

The first step in the analysis of the results included the checking of the internal consistency, by calculating the values of Cronbach's alpha coefficient. For evaluation of the reliability of the measurement scales, we used the values suggested by George and Mallery (2003). Based on these tables (Table 4 and Table 5), it can be concluded that all scales used for measuring the state of the independent variables and the dependent variable showed a high level of Cronbach's alpha coefficient (0.949 and 0.948), indicating a good internal consistency.

The analysis of the mean values, with respect to talent management activities (Table 5), shows that in the activity of *attracting talent*, organisations pay most attention to the selection of candidates, focusing on the selection of individuals who have a high development potential (TM3: 3.81; 1.174). Furthermore, the item related to the recruitment of employees who have the ability of creative thinking is also highly rated (TM2: 3.49; 1.181). On the other hand, organisations do not sufficiently use all the possibilities of recruiting talented individuals (TM1: 3.00; 1.238), which can be interpreted in the context of the characteristics of the labour market and the procedure of employment.

In the activity of *developing talent*, organisations are largely dedicated to the training aimed at developing specific knowledge and skills (TM5: 3.73; 1.255), and they devote equal attention to providing access to training for talented individuals (TM4: 3.55; 1.213) and training activities that emphasise mentoring and tutoring (TM6: 3.55; 1.158). The mean value is the lowest for the item which examines the degree of consistency between talented individuals and their involvement in the business development plans (TM7 3.24, 1.250), pointing to the fact that even in a situation where there are significant talent management activities, thus formed pool of talent is not large enough to fit the development plans, suggesting the need for greater involvement of talented individuals in the following period.

Table 4. Talent Management: Cronbach's alpha coefficient, mean and standard deviation

TM: Cronbach's alpha coefficient 0.949		Mean	Std. dev.
TMatt– attracting talent			
TM1	Organisation implements different strategies for recruiting talented individuals.	3.00	1.238
TM2	Organisation makes efforts to hire individuals capable of creative thinking.	3.49	1.181
TM3	Process of selection in an organisation is focused on candidates with high development potential.	3.81	1.174
TMdev– developing talent			
TM4	High-performance talented employees have access to training aimed at developing potential.	3.55	1.213
TM5	Training activities are focused on developing specific competences and skills that the organisation needs.	3.73	1.255
TM6	Organisation focuses employee training on mentoring and coaching.	3.55	1.158
TM7	Organisation has a group of talented employees whose skills are aligned with business development.	3.24	1.250
TMret– retaining talent			
TM8	Organisation has development programs for employees with high potential for performing operations.	3.03	1.386
TM9	Organisation has career development programs for talented individuals.	2.86	1.393
TM10	Organisation has developed programs for retaining high-potential employees.	3.17	1.343

With respect to the third talent management activity – *retaining talent*, the results of the mean values show that the organisations' least developed tactics are related to retaining talent, because they pay insufficient attention to career development programs for the talents (TM9: 2.86; 1.393), and have no defined programmes to retain employed talents with a high potential (TM8: 3.03; 1.386). We believe that the main reason for neglecting the activities of retaining talent is of an economic nature, because the tactics of retaining talent requires a careful analysis of the contribution of each talented individual from the pool of talents, thereby increasing costs, while at the same time being uncertain what their contribution to sustainable strategic success will be.

Based on these results, it can be concluded that out of the three observed key talent management activities, the most developed activity is

the one related to developing talent, followed by the activity related to attracting talent, while the least developed talent management activity is related to retaining talent.

The presentation of the mean values and standard deviation, based on the items associated to organisational performance related to services to customers/clients and performance related to employees, is shown in Table 5. Based on the observed sample, with respect to the organisational performance related with services to customers/clients, the items good reputation (OP6 4.32; 0.904), quality of products/services (OP1: 3.96; 0.946), and customer/client satisfaction (OP3: 3.85; 0.981) are highly rated. With respect to the performance related to employees, correct relationships between employees (OP12: 4.10; 0.831), correct relationships between managers and employees (OP11: 4.05; 0.866), and a high degree of identification of employees are highly rated, or, as defined in the item OP8, sense of pride among employees because they work within the existing organisation (OP8: 3.83; 1.074).

Table 5. Organisational Performance: Cronbach's alpha coefficient, mean and standard deviation

OP: Cronbach's alpha coefficient 0.948		Mean	Std. dev.
OPsc– organisational performance related to services to customers/clients			
OP1	Product/service quality is better than the competition.	3.96	0.946
OP2	New product/service development is better than the competition.	3.76	1.009
OP3	Customer/client satisfaction is better than the competition.	3.85	0.981
OP4	Organisation is capable of fast and effective response to technological and market changes.	3.78	1.147
OP5	Organisation quickly solves new problems.	3.77	1.139
OP6	Organisation has a good reputation.	4.32	0.904
OPemp– organisational performance related to employees			
OP7	The ability to hire talented individuals is greater than the competition.	3.40	1.061
OP8	Employees are proud to be part of the organisation.	3.83	1.074
OP9	Organisation inspires employees to do their best when performing tasks.	3.56	1.123
OP10	Employees express enthusiasm at work.	3.50	1.125
OP11	Manager-employee relations are good.	4.05	0.866
OP12	Generally, relations between employees in the organisation are good.	4.10	0.831

The results of a simple regression analysis (Table 6) show that talent management has a statistically significant impact on organisational performance related to services to customers/clients, which confirms Hypothesis 1.

Table 6. Results of regression analysis of talent management in relation to the organisational performance related to services to customers/clients

Variable	R ²	F ***	β	T ***
OPsc	0.437	58.935	0.661	7.677

Notes: Significant at $p < 0,01$ (***)

The results of a simple regression analysis (Table 7) show that talent management has a statistically significant impact on organisational performance related to employees, thus confirming Hypothesis 2.

Table 7. Results of regression analysis of talent management in relation to organisational performance related to employees

Variable	R ²	F ***	β	T ***
OPemp	0.567	99.502	0.753	9.975

Notes: Significant at $p < 0,01$ (***)

PRACTICAL IMPLICATIONS, LIMITATIONS, AND FURTHER RESEARCH

As regards the established research objectives, our research results indicate several important facts. First, the analysis of key talent management activities has shown that not all activities are developed to an equal extent and that organisations are primarily focused on developing talent, whereas the activity of retaining talent is given the least importance. In this regard, it can be concluded that organisations focus on the formation of the pool of talents and developing talent, while they attach little significance to the process of retaining talented individuals from the organisational pool of talents. The reasons for such behaviour of business organisations in Serbia can be sought in the current situation in the labour market, which is characterised by high unemployment rate and which can thus be a potentially large source of talented individuals. Second, the results of the regression analysis show that talent management has a positive impact on the organisational performance related to services to customers/clients, thus creating conditions for market sustainability of those companies. Third, the positive impact of talent management on the organisation's performance related to employees indicates that the improvement of human resource management practice through talent management techniques contributes to higher employee satisfaction and motivation in the organisation, thus creating conditions for them to stay in the organisation.

The research results presented in this paper have important practical implications for human resource managers. First, organisations pay little attention to retaining talent, which indicates the need to improve these talent management activities. Human resource managers need to focus additional attention on career development programmes and the development of programmes that will focus on retaining employees. Talent departure from the organisation increases the cost of recruiting and developing other talented individuals from external sources, with a growth of overhead costs due to lower productivity of new employees. Second, the positive impact of talent management on organisational performance related to services to customers/clients indicates the profitability of investment in the development of talent management practice in the organisation. Current investments in talent management practices have long-term positive effects on the creation of value that can later be allocated to employees and equity holders. The very existence of the newly created value brings about greater social well-being and quality of life of individuals. Third, organisations engaged in carefully-designed talent management activities at the same time need to create conditions for the talents to stay in the organisation. Apart from being a way for talented individuals to remain in the organisation, it also prevents migrations of talented individuals to other countries.

The research conducted for the purposes of this study has a number of limitations, which is characteristic of other studies in the field of social science. The first limitation is related to the structure of the sample in terms of business sectors. The sample consists of organisations operating in the field of production, trade, and services, and business in each of these sectors has certain particularities that may affect the variables of the research model. The second limitation pertains to the heterogeneous structure of the respondents who participated in the study. The questionnaires were filled by executive managers, human resource managers, and directors or heads of the business units. Arealistic assumption is that they were all familiar with the practice of strategic human resource management in their organisations, and that the human resource managers were best informed on this issue. On the other hand, some organisations with fewer than 250 employees did not have formally defined position of human resource manager, and the results showed that the difference in the size of the companies in the sample did not have a significant effect on the variables of the research model, which relativizes the importance of the structure of the respondents.

The above limitations also represent guidelines for further research. In this context, it is necessary to focus the research in such a way that the sample consists of organisations from only one sector (for example, manufacture or service organisations). This would avoid the generalisation of attitudes, and the obtained results would have practical managerial implications for a particular industry or sector. Directing the research in this way, combined with other criteria for constituting the sample, can create the

problem of satisfying the required sample size. Despite this, an additional effort in future research will be focused on increasing the number of units in the sample.

In addition, future research will focus on exploring the impact of talent management on financial performance by using the observed performance and financial indicators from official financial statements as variables.

CONCLUSION

The research results presented in the paper showed that not all talent management activities are equally developed in Serbian companies, but that talent management has a positive impact on organisational performance related to services to customers/clients and performance associated with employees. Based on this, two important conclusions can be generated: 1) talent management implies the sustainable competitive advantage of companies, which enables the creation of added value in the long term, which, through the distribution of these values, creates a richer and more developed society and increases quality of life; and 2) talent management implies greater employee satisfaction at work, which can positively influence their decision to remain employed in Serbian companies. This is in line with the research conducted by Srinivasan (2011), who studied the factors that affect the stay of the talents in the organisation, and found that there were several factors standing out from the rest, namely: 1) ample opportunities for professional and personal development; 2) moral satisfaction with the job; and 3) a satisfactory relationship between work and leisure time (work-life balance).

Besides pointing to explicit conclusions in relation to the established relationship between the observed variables, the confirmation of the defined hypothesis has indicated an important implicit conclusion concerning the establishment of the balance between organisational performance and employee satisfaction. Confirmation of the hypothesis that the talent management activities have a positive impact on organisational performance, and at the same time provide greater employee motivation and satisfaction, essentially suggests the conclusion that the implementation of talent management strategies does not make a trade-off between the organisation's objectives and goals of employees in the organisation, but satisfies them to an equal extent. This creates the preconditions for a wider application of the concept of talent management in different organisations.

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УПРАВЉАЊЕ ТАЛЕНТИМА: МОГУЋНОСТИ И ОГРАНИЧЕЊА ЗА СРПСКЕ ОРГАНИЗАЦИЈЕ

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Резиме

У економији у којој знање представља стратешки ресурс и извор конкурентске предности ангажовање појединаца који располажу одређеним специфичним знањима, вештинама и талентом за извршавање посла представља по-

себан изазов за менаџмент људским ресурсима. Због тога је управљање талентима постало важна тема и област проучавања, нарочито ако се има у виду да се „рат за таленте“ не одвија само на нивоу пословних организација већ и на нивоу националних економија односно држава. Сврха истраживања је да се кроз преглед литературе идентификују кључне активности управљања талентима и да се одреди њихов утицај на организационе перформансе. На основу тога су одређени и циљеви истраживања који подразумевају анализу стања управљања талентима у домаћим предузећима, утицај управљања талентима на опште организационе перформансе и перформансе које се односе на запослене. Реализација циљева истраживања је спроведена кроз истраживачки модел који је базиран на регресионој анализи. Истраживањем је обухваћено 78 пословних организација који су изабрани методом случајног узорка уз претходно дефинисане критеријуме за конституисање узорка. Резултати истраживања су показали да нису све активности управљања талентима (привлачење талената, развој талената и задржавање талената) у подједнакој мери развијена у домаћим пословним организацијама. Организације су више усмерене на привлачење и развој талената, него на задржавање талената. Резултати теста регресионе анализе су показали да управљање талентима има позитиван утицај на опште организационе перформансе. Такође, резултати теста регресионе анализе су показали управљање талентима има позитиван утицај на перформансе које се односе на запослене односно на ниво задовољства запослених. Овакви резултати истраживања истовремено сугеришу на исплативост улагања у развој активности управљања талентима. У спроведеним истраживањима су идентификована два потенцијална ограничења: узорак конституишу пословне организације из свих сектора пословања (производња, трговина и услуге), као и хетерогена структура испитаника, коју поред менаџера за људске ресурсе чине и извршни менаџери или директори. Добијени резултати истраживања представљају подстицај за будућа истраживања која ће пре свега бити усмерена на другачије конституисање узорка, али и другачије квантификавање организационих перформанси.