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# Talent Management as a Way of Increasing a Company's Human Resources Security

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**Abstract**— [The necessity of forming a talent management system at the enterprise as a tool to increase personnel security has been actualized. The approaches to talent management are analyzed and systematized and the main parameters of human capital that influence the maintenance of personnel security at the enterprise are singled out. The importance of using tools to assess the reliability and safety of the company's employees on the example of Midot is substantiated. An algorithm for the formation of an inclusive talent management system has been developed and a structural and logical scheme for strengthening the personnel security of the enterprise using a talent management system has been built.]

**Index Terms**— [human capital, personnel security, talent management, inclusive development]

## I. INTRODUCTION

According to the World Bank, "inclusive growth" is steady, rapid growth that is widespread across all sectors of the economy, involves a significant proportion of a country's workforce and is characterised by equal access to the labour market and resources. The effectiveness of inclusive management can be measured by improving the qualitative characteristics and, consequently, increasing the completeness of meeting the needs and interests of workers by engaging in the use of the outcomes of economic progress. Such outcomes may include the use of the latest digital technologies, data analysis methods for flexibility and equal opportunities, implementation of leadership development programmes, mentoring practices, openness to experimentation, psychological well-being of employees, as well as modern approaches to gender equality and involvement of different generations.

The success of any company depends on the skills of

employees who are engaged in the work process and motivated to achieve an effective result. To create such a team, it is necessary to develop an effective strategy for inclusive talent management in the company. This strategy should include employee assessment tools, individual development plans, the development of continuity systems and methods to increase employee security.

HR security of an enterprise should be understood as a continuous process of personnel management aimed at preventing external and internal influences on the enterprise. Today it is urgent to create an effective personnel security system that will contribute to the sustainable development of the enterprise and ensure its competitive advantages. The right number of professionals will help minimise losses and compensate for their elimination. Constant control over your own personnel will allow you to direct them to advanced training in a timely manner, and in the absence of your own potential - to attract the best specialists on the labour market.

## II. ANALYSIS OF RECENT RESEARCH.

The term 'talent management' is not clearly defined in the literature as there are different approaches to its analysis. Researchers Aston and Morton argue that ... there is no single clear and concise definition of "talent management" (Aston, Morton, 2005). However, attempts are being made to systematise diversity in the talent management field. Researchers Lewis and Hackman have identified three main trends in this area (Lewis, Heckman 2006). The first interpretation defines talent management as human resource management. This includes recruitment, leadership development or succession planning. The second interpretation emphasises talent development as 'planning for job demand/needs and managing employee development through



job creation'. This approach assumes that talent management largely depends on the demand and supply of labour in the market, the skills employees possess and the ability to forecast the size of the organisation's workforce.

The third approach focuses on talent management. It is about identifying the need for better employees to fill different roles in the organisation and managing weaker employees appropriately for their development.

In contrast to the talent management trends described above, Buckingham and Vosburgh scholars define talent management as "the art of recognizing each employee's natural talents and determining how to help each employee develop his or her own skills and knowledge in each workplace in order to turn those talents into company capital " (Buckingham, Vosburgh, 2001).

Over the years, researchers have proposed many talent management models. Generalized models point to three stages of talent management: entry, transformation and exit. Armstrong and Taylor present the issue more broadly by referring to the key elements of the talent management process: talent planning, human resource acquisition, talent discovery, talent management, talent development, talent retention, career management, succession planning, leadership, talent stream optimization, and talent reserve (Armstrong, Taylor, 20016).

Schuler's publication on talent management identified five main 'Cs'. These are: choices, considerations, challenges, events and consequences, which determine the most important talent management activities and reflect the most important issues that directly define the essence of talent management in an organisation (Schuler, 2016).

Among these issues, the most important are: who is responsible for implementing talent management policies and practices? What are the principles of talent management? Who should manage and integrate talent into company processes? Where should an organisation look for its 'talent'? What main internal and external factors can be influenced by the quality of talent management? What are the effects of talent management at individual, organisational and national level.

The availability of a sufficient number of qualified personnel contributes to the smooth and efficient functioning of an enterprise. Therefore, the top priority of any enterprise is an effective personnel policy aimed at building the potential to achieve the strategic objectives of the enterprise. Personnel, intelligence, talents and professionalism significantly affect the economic security of the enterprise (Koptieva 2020).

Given the importance of HR policy for the company, the issue of HR planning becomes important, which, based on the use of talent management tools, will create a qualified team and the necessary reserve of talented employees who will act as a means of strengthening personnel security.

The HR function will only maintain its reputation as an engine of change if it ensures the use of analytical data to anticipate important trends. Inclusive talent management requires updated approaches and widespread use of digital technologies. If this issue is not addressed in the near future, the role of talent management as a means of developing an organisation and strengthening the security of its workforce will continue to decline.

The purpose of this article is to analyse the function of talent management in strengthening the human resource security of an enterprise.

### III. PRESENTATION OF THE MAIN MATERIAL

The world community has proposed defining a set of needs that will assess quality of life and effectiveness of governance. Thus, the UN concept prioritises human development, widening the choice of social behaviour, increasing life expectancy, deepening education and increasing income. In this sense, human beings are seen as the goal and criterion of social progress, rather than as a means to economic growth. The Human Development Index shows the average level of progress in a country in three basic dimensions: longevity and health, access to knowledge and a decent standard of living. Human development acquires meaning in the dimension of sustainability, because under such conditions the fullness of life is ensured by satisfying human needs and developing human characteristics and capabilities for the present generation without diminishing the ability of future generations to satisfy their own needs (Mamonov, 2013).

The Rockefeller Foundation defines an inclusive economy as one that provides synergies for shared prosperity and identifies 5 main points(rockefellerfoundation.org):

- 5) Engagement. This is explained by the need to involve people in the economic life of the state. The economy must be determined by access to the labour market, consumers and the business sector. Transparency, quality of knowledge and standards allow people to start their own business and find a job.
- 6) Equality. Providing mobility opportunities for more people from different vulnerable groups. Access to public goods, infrastructure, education, water, etc.
- 7) Growth. Economic development and transformation, measured not only by aggregate growth rates, but also by per capita income and other indicators of societal development.
- 8) Stability. Individuals, communities, businesses and governments must have sufficient certainty about their future and the ability to predict the outcome of their economic decisions. This includes the ability to invest in the future and safeguard one's financial position.
- 9) sustainable development. The progressive accumulation of economic and social capital in its various forms (productive, financial, human, social and natural) promotes the well-being of generations. Therefore, decision-making and development strategies should take into account long-term costs and benefits, not just short-term gains from the use of the asset base. The Commission on Inclusive Growth and Development considers inclusiveness as a concept based on the principles of equity, equality of opportunity and protection from risks caused by variability in external conditions, as well as activating the work capacity of the population and ensuring maximum realisation of human potential.

Similar parameters should be considered not only at the

macro, but also at the micro level of the enterprise, because the inclusive development of each individual begins with the creation of a favourable micro-environment - working conditions, effective motivation, a corporate culture that promotes new employees into processes, opportunities for self-fulfilment and career development, which directly depend on an effective talent management system.

Talent management should be understood as a set of personnel management tools, primarily to attract, develop and retain the most productive employees (Lewis, Heckman, 2006). The talent management system must be closely linked to the company's business strategy. Talent management starts with the hiring of the employee, followed by their adaptation, training, goal setting and performance evaluation, followed by the selection of the most productive employees and the creation of a compensation package for them.

Staffing risks faced by talent management-based companies are exogenous and endogenous. The most common exogenous factors for a company's loss are the attraction of talented professionals. Competitors usually offer better working conditions, higher salaries and various incentives. Along with the lure, a negative factor of external origin is the sale or disclosure of trade secrets to competitors by company employees. To prevent these factors, access to company secrets must be minimised and the employee's personal needs and mood must be constantly monitored. Internal risks that can harm the company are inadequate employee qualifications, low motivation, unreliable performance of employee duties and low selection criteria. Usually personnel security is examined as the security of the company's employees and as the company's security against negative actions of its employees. This raises the question of evaluating a particular employee from the point of view of his/her reliability.

The most popular method of such assessment is the employee diagnosis of the company Midot (midot.com). The Midot System program was created by a team of Israeli psychologists and variographers based on 20 years of research and has the highest reliability of results.

Using the Midot System get answers to the following questions:

- Will the candidate being hired be an effective and successful employee?
- Does the employee or candidate have a tendency to break discipline?
- Is the employee or candidate abusive or likely to be involved in embezzlement and fraud at work?

Midot System's solutions are based on an algorithm for assessing an individual's ethical and moral values rather than professional values, which provides a basis for predicting trends in behaviour. The Midot System makes it possible to increase the quality of a candidate's assessment and significantly reduce the time and cost of their study. If a candidate is honest, decent and reliable, it makes sense to continue studying their professional and business qualities. Midot's products and services are designed to assess the reliability of staff throughout the entire employee lifecycle within a company. The diagnostic

includes a set of different tools that allow a comprehensive assessment of an existing employee or an applicant for specific vacancies (Figure 1). This technique makes it possible to carry out a comprehensive analysis of the personnel component of the company, both at the stage of hiring employees and during the performance of their duties. Based on the above methodology, it should be noted that the personnel security measures of the enterprise should be unique, i.e. take into account the specifics of each enterprise separately (internal regulations, enterprise specialisation, etc.). At the same time there should be an interaction of personnel security bases with the legal aspects of the enterprise, its technical, technological, information facilities, financial policy, etc. Personnel security should include a comprehensive approach, involving all the structural units of the enterprise which exercise appropriate control over the activities of personnel.

Talent management can be interpreted as a tool for strengthening personnel security, as it serves to motivate and develop employees who, in the case of a well-constructed and implemented strategy, begin to identify with the company and are advocates of the company as a brand to work for.

Therefore, the approach to creating a safe talent development system should be step by step.

Step 1 Develop a profile of a successful employee (talent) along with a description of the required competencies. A talent is an employee who has the following characteristics:

- demonstrates high performance;
- continuously learns;
- has professional and social experience;
- can build effective communication, shows flexibility;
- works in a team, can motivate and develop people;
- shares corporate values.

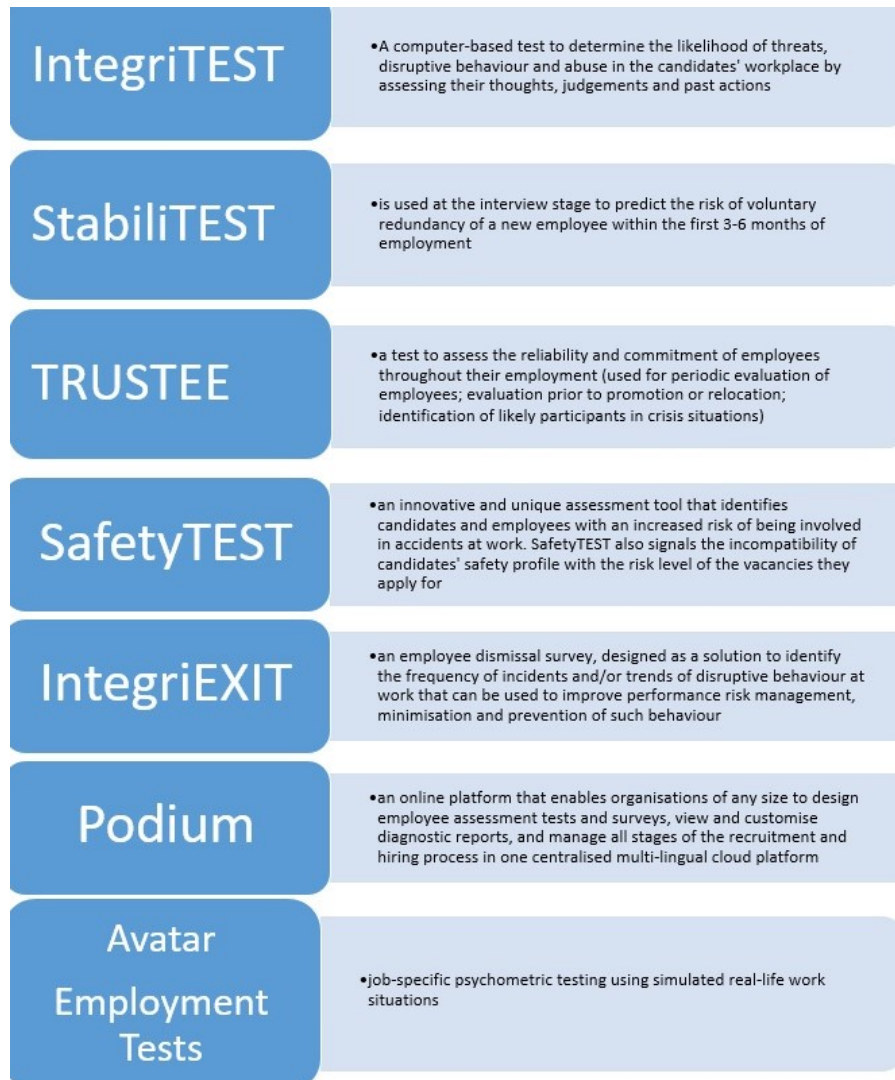
Step 2 We assess talent competencies, identify priority competencies to develop and provide feedback to the employee.

The following approaches can be used to identify the most promising people in the company:

- Assessment method. Scoring of certain employee characteristics or indicators of their performance (evaluation criteria). The comparison of employees is based on the total number of points.
- Competency assessment. Goes through tests, case interview comparing the competencies of the employee with the competency model of the occupied position.
- 360 Degree Feedback method. Evaluation of the employee's actions in real work situations and identified business and personal characteristics from people communicating with the evaluated employee on different levels (direct supervisor, colleagues, subordinates, customers).
- Company training. This method will help uncover the hidden potential of promising employees.
- Brainstorming to solve a specific problem.



FIGURE 1: RELIABILITY AND WORKER SAFETY ASSESSMENT TOOLS USING MIDOT AS AN EXAMPLE



Source: based on Midot.com

Step 3 We create and implement talent development management plans taking into account the company's strategic objectives.

Targeting development programmes:

- developing business projects;
- Coaching, mentoring;
- MBA, labs.

Step 4 We evaluate the effectiveness of employee training.

- Career development programme;
- Involvement in complex business processes;
- complex development system;
- revision of the incentive system for retaining the best, performance bonuses.

An effectively formed talent management system directs the company to attract talented employees, and all managers are responsible for strengthening the talent pool. At each stage of development, career prospects are discussed and a career development plan is tailored. Particular attention should be paid to the incentive component, which includes both long-term material motivation and short-term motivation - incentives to

enter the reserve, performance bonuses for the development plan, opportunities to participate in bonus funds. Work is underway to find ways to interest and retain talent by offering them new large-scale assignments, coaching, mentoring, a differentiated approach to each employee.

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The use of innovative technology in recruitment and workforce management processes is important to optimise talent management processes and improve employee security.

Poor execution of workforce management tasks leads to multi-million dollar losses worldwide (renciaigroup.com). The main task of HR departments in 2021 has been to adapt and manage change quickly. However, many teams are experiencing a reduction in staff and resources to carry out current tasks due to the COVID-19 pandemic. Modern technology not only increases employees' personal productivity, but also streamlines processes and saves time, material and financial resources.

A variety of technology solutions using workforce management systems can reduce routine and monotonous tasks in HR and allow recruiters to focus on important tasks. Using AI technology allows you to assess the risk of firing your best employees and have time to develop preventative measures. Modern HRM systems analyse a huge number of parameters and alert talent management professionals that an employee is in the risk zone. In addition, the use of artificial intelligence is effective in recruitment processes, determining the right candidate for the job (Mamonov, 2013). The main stages of strengthening the personnel security of an enterprise using a talent management system should be presented in the form of the following structural and logical scheme (Figure 2).

Thus, analysing the latest trends in effective talent management, we can conclude that the implementation of the following measures is the most important for maintaining personnel security.

1) big data analysis and decision making based on analytical data.

Now it is important for HR professionals not only to track process statistics, but also to analyse them, and to make important decisions based on the information obtained. By taking analytics data into account, talent selection can be improved, employee engagement and motivation can be increased, specialists can be retained, and staff security can be increased as a result.

2) creating a talent management strategy in the company.

Highly qualified employees, engaged in their work and motivated by the result, are always the basis for the success of any company. In order to provide the company with such professionals, it is important for the HR manager to shape an effective and efficient talent management strategy within the organisation.

3) improving digital skills.

Mastering the latest technologies and digitalisation help to increase the efficiency of personnel management, implement a talent management strategy and grow the business. Meeting these conditions will be the basis for creating a talent management system in the company and taking the business to a new level.

4) Introduce a "remote first" working model.

Due to quarantine restrictions, companies have started to focus on "remote first" principles, prioritizing remote work. The reality is that remote working has become a convenient and cost-effective option for attracting employees, so it is important

for companies to adapt as much as possible by leveraging technology and automating routines.

5) leveraging employee experience and empathy.

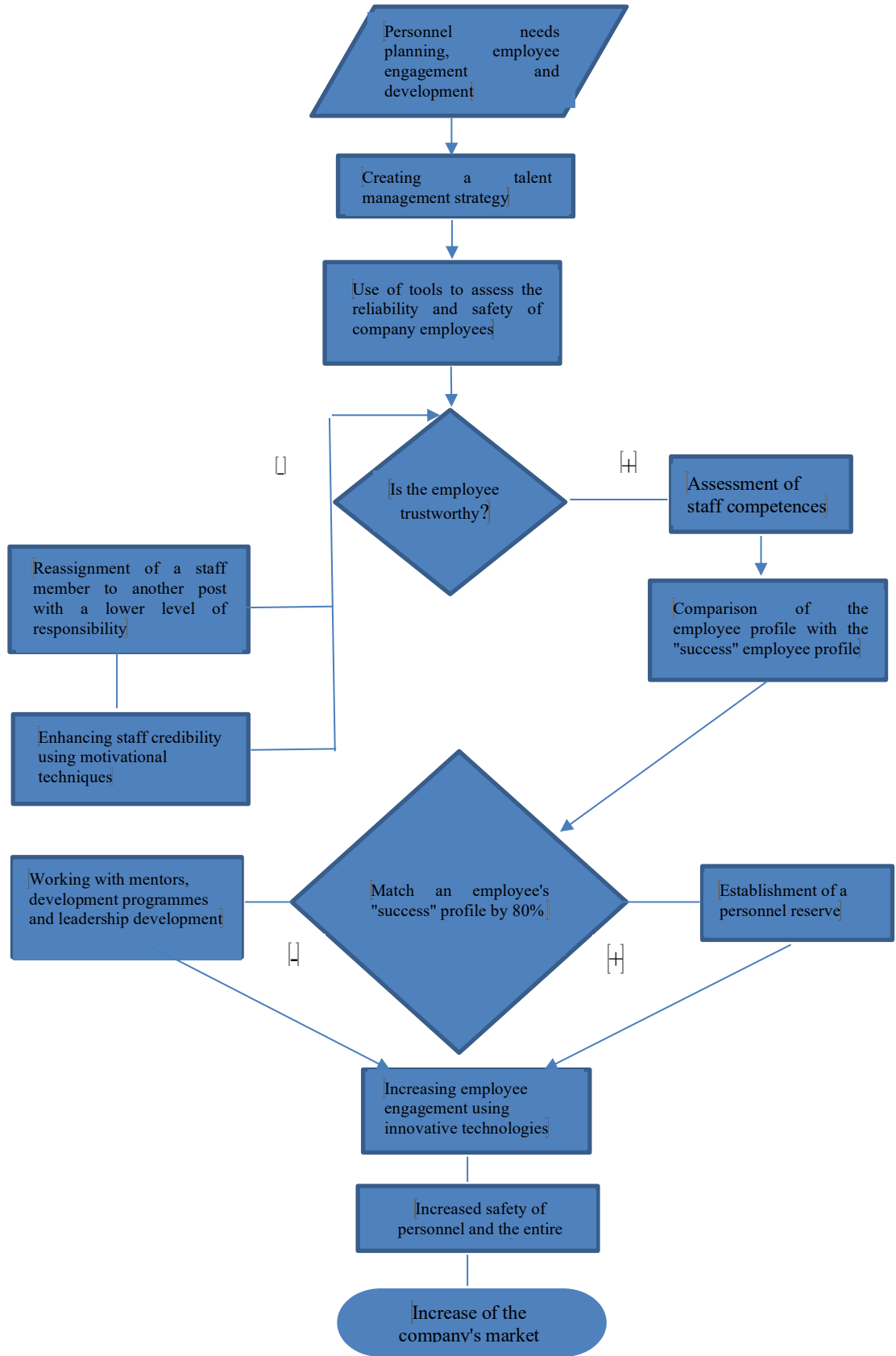
According to Mc Kinsey, next year companies should focus on building strong leadership and establishing a relationship of trust with employees and candidates. To do this, you need to analyse the employee experience, choose effective ways to interact with them and the rewards the company offers. The focus should be on staff wellbeing and the provision of various benefits. For example, according to the Hartford Future of Benefits Study, 52% of employees need paid holiday, 48% need insurance benefits, 56% need a loyalty program, and 51% need psychological support (infosystems.mu).

#### IV. CONCLUSIONS AND PERSPECTIVES FOR FURTHER RESEARCH.

The basis of personnel security in modern conditions is competitive human capital, which has certain characteristics and is able to provide innovative component of the enterprise, which in turn affects the quality and cost of production, marketing policy and competitiveness of the enterprise. enterprise as a whole. Taking the above into account, it can be argued that the formation of human resources security of the enterprise should be based on the principles of counteracting various threats. Therefore, it is advisable to create an inclusive talent management system in the company, which combines recruitment and training, adaptation, motivation and career development, which contributes to the involvement of employees in internal processes and increases their commitment to the company, thus increasing personnel security.

To retain talent in the company in 2022, it is necessary to develop areas that are important to employees, which include training programs, compensation and benefits, transparency of processes, intuitive tools and technologies, etc. This will help HR improve the employee experience at the company and reduce the risks associated with under- or unsuitable skills, churn and unreliability of staff. In 2022, HR professionals should focus on developing and expressing empathy for staff, training, implementing modern technologies in the adaptation process and developing the internal and external employer brand. Moreover, it should not be forgotten that talent management should be based on the recognition of employees' needs and their experience as users of new digital technologies. At the same time, workforce management tools should be an automated part of a digital HR management platform that provides HR managers with real-time information and managers with online analysis capabilities, optimising time costs. The effect of employee engagement enhances staff security, influences the development of enterprises whose successful operation increases the country's prosperity.

FIGURE 2 STRUCTURAL AND LOGICAL SCHEME FOR STRENGTHENING THE HUMAN RESOURCE SECURITY OF AN ENTERPRISE USING A TALENT MANAGEMENT SYSTEM



Source: author work base on MIDOT

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