

## THE USAGE OF METHODS FOR DEVELOPMENT OF TALENTS IN CZECH ORGANIZATIONS

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### Abstract

Nowadays, Talent Management is considered to be a strategic concept which contains new ways for organizations to grow thanks to human development. It focuses on people with above-average characteristics, i.e. talents. It is necessary to identify, maintain and incessantly develop them. The aim of the article is evaluate the usage of selected methods for development of talents in Czech organizations and to compare these methods and the area of development with those organizations which want to develop talents themselves. The results are based on a quantitative survey by questionnaire data collection in two independent selected samples, i. e. organizations and employees. The results shows that it is predominantly large organizations (above 250 employees) that ensure Talent Management; predominantly with Czech ownership. Mostly a combination of on-the-job and off-the-job methods (64.0%). The methods focus mostly on communication (72.5%).The article addresses the main causes why Czech organizations start to implement Talent Management practices and which methods are most commonly used. Results show that employees develop their skills, mental or physical, within short timeframes (most frequently less than a year).Summary, organizations which need employees to continuously develop must be competitive and attractive from their employees' developmental requirements point of view.

**Key words:** talent management, development, employees, organization, survey

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### Introduction

Talent management has attracted increasing attention recently. To acquire, retain, and develop knowledgeable, quality employees is a priority for every organization (Nahapiet, Ghoshal, 1998; Collings, Mellahi, 2009). People are the bearers of knowledge, skills, and abilities – in short, competencies, and their talent and willingness to provide these to the organization are key for its development and success (Claussen et al., 2014; Vivas-López, 2014). Many employers endeavour to recognise employees' talents, seek them out within their own

organizations, and try to lure them away from other companies (Al Ariss et al., 2014; Calvo, Garcia, 2014). Therefore this article aims to evaluate the usage of selected methods for development of talents in Czech organizations and to compare these methods and the area of development with those organizations which want to develop talents themselves.

## **1 Theoretical Background**

A key success factor for a given organisation is to identify employees' skills, developmental requirements and spot on their talents (Collings, Mellahi, 2009). Setting goals for individual employees based on their knowledge, skills and performance is in fact a strategy that organisations use to make achievement (Abdo and Aguir, 2011). These goals may be attained if every person within the organization has the knowledge, skills, and abilities to carry out his/her work efficiently, to improve the performance of individuals and teams and to develop employees in a manner that maximizes their potentials for growth and career progress (Kong, Yan, 2014). If people do not develop, neither do organizations pay attention to their employees developmental needs then a collapse is likely to happen on the medium to longer term (Davidsson and Honig, 2003; Collings and Mellahi, 2009; Katcher and Snyder, 2009; Collings, 2014).

The lack of consistent definitions seems to be the reason for different interpretation of the concept of Talent Management (hereof TM). There are at least three ways of interpreting TM in practice: (1) TM is often used as a new term for common HR practices (old wine in new bottles), (2) it can allude to succession-planning practices, or (3) it can refer more generically to the management of talented employees (Lewis and Heckman, 2006). As every organization is different, Iles et al. (2010a and 2010b) suggest that TM must be studied as embedded in its particular social and organizational contexts.

In defining successful talent management methods, Stahl et al. (2012) note the following six key principles: (1) alignment with strategy, (2) internal consistency, (3) cultural embeddedness, (4) management involvement, (5) a balance of global and local needs, and (6) employer branding through differentiation.

While Maxwell (2011), Meyers et al. (2013), Meyers, van Woerkom (2014) and Knight (2010) consider talent to be an innate ability or prerequisite for improved skills. Colvin (2008) claims that talent consists of skills refined by time and effort. The authors agree that development must be continuously worked on. Knight (2010) and Colvin (2008) claim that the mind can be trained as athletes train their bodies. They claim continuous development

and expanding one's limits are possible. The more the mind is used, the greater the opportunities for further development – the mind becomes more flexible. The authors use this argument to explain why talented people are so rare. Colvin (2008) and Knight (2010) prove their assumptions using well-known people in all areas – business, sport, music, etc. Similarly, Maxwell (2011) describes progress and development as very demanding processes. He claims that if an individual wishes to progress, he/she must be more determined and devote even more (energy, learning, risk – expanding already developed abilities he/she continues to develop) than was needed to attain his/her current level, no matter how high. For this reason, Maxwell (2011) formulates a list of attributes that must be learned and practised by employees if they are to develop. These are honesty, vision, influence, passion, service-oriented approach, self-confidence, problem-solving, communication, creativity, teamwork, a proper mindset, and discipline. Organizations and managers should create opportunities for promising individuals to practise the skills mentioned above.

## **2 Materials and Methods**

Our data were mainly extracted from secondary sources and our analysis and discussion is linked to outcome synthesis and the evaluation of international research results.

The article analyses and evaluates the results of two primary surveys. The first survey was conducted in Czech organizations (n=100) in 2014 and examined the area of talent management from the standpoint of organizations. The findings were finalised based on analysis of data obtained via questionnaire survey. The data set comprised 100 organizations. The organizational structure was as follows: by economic sector: 1% primary sector, 26% secondary sector, 73% tertiary sector; by organization size (number of employees): 31% small, 28% medium, 41% large organizations; by organization assets: 79% Czech organizations, 4% Czech organizations with a foreign owner, 17% multinational organizations.

The second survey was carried out using employees. From this point of view, results may be compared objectively because the opinions of both parties (management and employees) were determined. The employee data set comprised 125 employees. The employees were employed full time. Most employees, 82%, have other than managerial positions. They are rank-and-file employees and 70% have no university education. The employee respondents were structured as follows: employee age category: 11% – 20 to 24 years, 32% – 25 to 30 years, 35% – 31 to 40 years, 20% – 41 to 50 years and 2% over 51 years; employee

professional experience: 10% – less than 1 year, 36% – more than 1 year and up to 5 years, 26% – more than 5 years but less than 10 years and 28% more than 10 years; employees work in the following industries: 1% primary sector, 18% secondary, 81% tertiary; employees work for organizations of size: 26% small, 29% medium, 45% large organizations; employees work for organizations owned by: 74% Czech organizations, 7% Czech organizations with a foreign owner, 19% multinational organizations.

The data were evaluated using the tools of descriptive statistics and the methods of comparison, induction, deduction, and synthesis. Descriptive statistics used to test the results included absolute and relative frequency, correlation analysis, and a non-parametric Pearson Chi-square test. Finally, the level of dependence was measured based on Cramer’s V, using a scale devised by De Vaus (2002).

### 3 Results

The results shows that it is predominantly large organizations (above 250 employees) that ensure Talent Management; predominantly with Czech ownership. Mostly a combination of on-the-job and off-the-job methods (64.0%). The methods focus mostly on communication (72.5%). The article addresses the main causes why Czech organizations start to implement Talent Management practices and which methods are most commonly used.

Key methods of talent development were tested as factors: alignment with strategy, internal consistency, cultural embeddedness, management involvement, and employer branding through differentiation. Each factor consist of selected and tested methods, which were used as variables (see Table 1). Firstly, all factors and their variables were tested by Cronbach Alpha concerning their validity. All factors reached over minimum level 0.5 and thus we may consider them as valid for further analysis. Below Table 1 shows factors and their variables together with Cronbach Alpha coefficients and correlations.

Table 1: Methods of talent development

<b>Factor</b>	<b>Variables</b>	<b>Cronbach Alpha</b>	<b>Pearson’s correlations</b>
alignment with strategy	support of development set goals and plans succession planning	0.60	
internal consistency	coaches, mentors talent pool innovations based on development	0.61	0.52
cultural embeddedness	feedback time investment team development	0.72	0.74 0.57

	open discussions				
management involvement	inspirational management development is rewarded learning is required	0.63	0.55	0.59	0.59
employer branding through differentiation	empl. initiate development empl. initiate projects individual development life-balance	0.63	0.40	0.54	0.31 0.38

Source: author's survey

As listed in the Table 1, it is possible to consider all five factors as significant. Organisations in order to manage their employees and talents successfully in line with corporate strategy, should use all suggested methods (revealed and validated factors): alignment with strategy, which consist of variables support of development, goals and plans and succession planning; internal consistency, which consist of coaches, mentors, talent pool and innovations based on development; cultural embeddedness, which consist of feedback, time investment, team development and open discussions; management involvement, which consist of inspirational management, development is rewarded and required learning; and employer branding through differentiation, which consist of employee initiative of development, projects, individual development and life-balance.

In the area of talent development in organizations, a sample of respondents was used to determine the time horizon over which new models and methods of thinking appear (after completing development programs) along with practically applicable results from learning. Table shows that talent development in the Czech Republic is oriented toward practical skills rather than knowledge and development of thinking methods. A change in one's thinking is a demanding process and that is why frequent changes are not expected. However, new practical results clearly do not entail revolutionary changes or innovations but rather development of professional skills for common work procedures.

Table 2: Talent development effects

Period	New methods of thinking		Practical results	
	Absolute frequency	Relative frequency	Absolute frequency	Relative frequency
Daily	10	8.0	16	12.8
Weekly	29	23.2	42	33.6
Annually	63	50.4	50	40.0
once in 2-3 years	9	7.2	9	7.2
over the long-term	14	11.2	8	6.4
Total	125	100.0	125	100.0

Source: authors' survey

Table 2 shows that only 8% of employees acquire new ways of thinking during the course of developmental or educational activities. Most (50%) employees need a year to make recognisable progress; one-fifth even longer (2 years or longer).

Concerning the practical results of talent development, results most frequently come within a one-year timeframe (40%). However, a significant portion of employees indicated weeks for acquisition (34%) or even days (13%). Only 14% of employees need more than one year.

Employees themselves perceive development of their skills, both mental and physical, within rather short timeframes (most frequently less than a year). The existing manner of work and work procedures, and often even habits, change continuously and employees must keep pace. Similarly, organizations that need their employees to continuously develop must be competitive and attractive to their employees' developmental requirements.

Talent management and career management are frequently not directly connected in organizations. In more than half of the cases studied, employee development takes place regardless of subsequent career growth. 42% of employees who participated in the research had no experience of being promoted within their organizations. On the other hand, 58% of employees have experienced promotion, some have been promoted repeatedly. This rather high figure must signify follow-up is taking place on individual development. Therefore, the presumption indicated above applies to the results of the research carried out in organizations – if organizations' conditions are favourable (organizational structure, climate, and support from superiors), employees have the opportunity for development and career growth, of which they avail themselves. This is the basis for a rather high percentage of work procedures. On the other hand, if no opportunity for development is offered to employees, they often search for another job outside their organization.

## **Conclusion**

Presented paper revealed possible methods for talent development in organisations. Those are alignment with strategy, internal consistency, cultural embeddedness, management involvement, and employer branding through differentiation. Results of tests and analysis confirmed those factors to be valid and significant in order to develop, educate and manage talents.

Research outcomes identified attributes and practices in organisational learning and development. Mostly large organizations ensure talent management; predominantly with Czech ownership. Methods used are a combination of on-the-job and off-the-job. Results

described the main ways which are used by organisations in order to grow constantly and use their own potential talents.

Employees develop their skills, mental or physical, within short timeframes (most frequently less than a year). Existing working procedures and often even habits change continuously and employees must keep pace. Similarly, organizations that need their employees to continuously develop, must be competitive, and remain attractive to their employees. Therefore, if organizational conditions are favourable (organizational structure, climate, and support from superiors), employees have the opportunity for development and career growth. On the other hand, if no opportunity for development or promotion is offered to employees, they often search for another job outside the organization.

The existing continuous need for talented and experienced, efficient employees is unquestionable. A talent management system built at the national level could function as a bridge between these two groups. Talented people need more than just opportunity and money. In the long run, they particularly need mentors to help direct their professional and personal development, to provide long-term support and international contacts. Unfortunately, no comprehensive system for talent management exists in the Czech Republic. Therefore, collaboration between scholars and people in the business world is necessary to implement the concept in organizations within the country. Based upon the above, talent management may become a full part of strategic HR management. It also provides a certain guarantee of loyalty – employees will continue to contribute to their company's business development. Talent management may become key to the success of an entire organization.

Factors validated in the paper formed together main methods for talent development. Presented article shows the main ways which are used by employees and organisations in order to grow constantly and use their own potential talents and leaders. These results can be taken into account in further analysis and in organisation of adult education. Talent management must be understood in the context of the firm's strategic capabilities, must be part of the structure and culture of organisation and must be supported by management.

Besides this study there are several promising avenues for further research. It would be useful to know the impact of personality on life-long development and there should be an investigation of the longer term impacts of talent development in organisations.

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