

# Sustainable Talent Management Practices in VUCA World – A Study with Reference to Management Education

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**Abstract:** There is an immediate need for the businesses today to adapt the changes of the Business Environment and transform themselves radically. The companies have to come up with innovative ways of Talent Management practices to prove their competency in the highly competitive and VUCA (*volatile, uncertain, complex, and ambiguous*) environment.

It has become differentiating factor for all the businesses to attract, engage, develop and retain the right talent in the inevitable VUCA climate of the business to survive among the fittest. Effective Talent Management process and strategy is vital for every organization to achieve the organization goals effectively.

Every individual who works in any organization is a student of an Institute/College/University. If the educational institute acquires highly talented and skilled Faculty Members, they can produce most potential and skilled students as per the requirement of the Industry. This paper presents and attempts on how B Schools can have sustainable Talent Management Practices in the VUCA world.

**Keywords:** Sustainable Talent Management, VUCA World

## I. INTRODUCTION: VUCA ENVIRONMENT

In past 20 years, the world has dramatically changed from (A) A stable economy to a volatile economy, (B) Brand centric to customer centric (C) from one form of media to multi layered mode of communication. The complete outlook of the corporates has changed. New unruly technologies are coming and uprooting the so called traditional business. Innovation and adaptability is no more looked upon as something new. They have become part and parcel of everyday. Productivity has become more measurable. We now require a **SMAC- Social, Mobility, Analytics and Cloud** environment, with each playing a major role in how we engage people and conduct our business. The boundaries are diminishing, and world has become one big country.

The "V" in the VUCA acronym stands for volatility. It means the nature, speed, volume, and magnitude of change, which is in an unpredictable pattern (Sullivan, 16th January 2012). Volatility is turbulence, a phenomenon that is occurring more frequently today than in the past.

The "U" in the VUCA acronym stands for uncertainty, or the lack of predictability in issues and events (Kinsinger & Walch, 2012). These volatile times make it difficult for leaders to use past issues and events as predictors of future outcomes, and thus highlighting the need for live analytical data.

The "C" in VUCA stands for complexity. There are numerous causes and mitigating factors (both inside and outside the organization) involved in a problem. This layer of complexity, added to the turbulence of change, and the absence of past

predictors, adds to the difficulty of decision-making, not leaving out the confusion that it creates.

The "A" stands for Ambiguity, which is the lack of clarity about the meaning of an event (Caron, 2009), or, as Sullivan writes, the "causes and the 'who, what, where, how, and why' behind the things that are happening (that) are unclear and are hard to ascertain."

Other drivers of turbulence in the business today include digitization, connectivity, trade liberalization, global competition, and business model innovation (Reeves & Love, 2012).

For sustainable Talent Management Practices in VUCA environment with reference to management education, there is a need to understand primarily the current Academia Industry gap and then the Talent Management Practices

## Management Education Scenario

It is unfortunate that with so much happening around us, the institutions/universities/education establishments have not evolved so much. They are, to a greater extent still following the old traditional ways of teaching and research. While they have mushroomed in last 10 years, the quality of education imparted has gone down. There are only hand-picked IIM's, ISB's and selected Tier 1 and Tier 2 Management Institutions whose credibility can be vouched for. Most of the institutions have not kept pace with the changes of the Industry and its expectations. This results in high level of unemployment

There is a wide gap between the performance of top 10 B-Schools and other B-Schools. One important reason for the difference is poor integration of industry and management education institutions. There is a need for industry-academia partnerships, identifying the factors to be included in management education from industry point of view, analyzing current level of management education's competency as per requirements of industry.

On one hand we will have a shortfall of 5 million qualified employees by 2020 with 65% of country population below the age of 35 years, and on the other hand organizations facing problems in finding, managing, nurturing and retaining talent that fit into their business strategy to fight against heavy competition. Human capital/Talent has become the only sustainable competitive advantage organization can rely upon.

## Reasons/Root Causes for the shortcomings in Management Education.

- The Knowledge imparted to the student from the Prescribed Text book is around 5-year-old since the process of researching and writing the book, printing the book etc. are time consuming. The knowledge given to the student through book is 5 to 6 years old

and by this time, the complete technology and the business environment undergo many changes. The dichotomy of the situation is that while the graduate is not found suitable for the role on one hand, the industry has huge shortage of competent professionals.

- The problem is due to the focus majorly on academic knowledge with a very little focus on practical/field based knowledge. If this gap is not covered timely, it will lead to lot of socio-economic problems in times to come.
- The institutions are not focusing on research based education which helps in broadening knowledge base and to know the latest technologies and practices in vogue.
- The curriculum is not aligned as per the requirements of the Industry. The majority of B Schools are not led by leading companies. The aim should be to bridge the skill gap by delivering industry ready professionals.
- There is no emphasis on skill based education. The industry is changing on a day to day basis and newer skills like creative thinking, higher level problem solving, interpersonal skills, innovation, decision making are expected from the employees.
- The students lack in Workplace/On-Job exposure which can be acquired through internships, live projects, and corporate interactions
- The faculty members do not possess necessary
- Industry experience which comes in the way of imparting practical knowledge about industries. The faculty members are not endorsed to undertake the short industrial projects on a regular basis in collaboration with industry experts which helps the faculty to be in line with the current industrial trends.
- There is hardly any climate in B School to see employers coming forward and working exclusively with the academicians to create and develop a shared model for jobs and curriculum to address their specific industry requirements.

Changing business environment, the VUCA world and globalization are putting more challenges before the business leaders than ever before. While in emerging markets, growth opportunities exist, other business leaders are constantly working on finding out more innovative ways to strengthen competitive edge as well as sustain it in the face of ever-increasing stakeholder expectations.

The organizational complexities have been accentuated by change of demographics, customer profile, localization, and innovations with pressure on sustainability with innovation, Talent Management Frameworks of organizations and fast pacing technological changes. Further, with complex & large organizations in the modern world, interconnections of systems, geographies & products and services Leadership has assumed totally new set of contingencies. Hence, organizational strategies are getting more attention of Top Management for using Empowerment, enriching & other critical Positive Psychology & Talent Management tools such as developmental conversation, Executive Coaching.

#### **Objectives**

- To highlight various Interconnections between Talent Management Strategies in Business Schools under VUCA Environment.

- To explore the various factors that affects the Talent Acquisition of B School in the VUCA World.
- To explore the various factors that affects the Talent Engagement of B School in the VUCA World.
- To explore the various factors that affects the Talent Development of B School in the VUCA World.
- To explore the various factors that affects the Talent Retention of B School in the VUCA World

## **II. RESEARCH FRAMEWORK**

### **Management Education: Current Scenario**

In this scenario of intense and inevitable VUCA environment existing across industries, it is a big challenge for Business Schools to train the Management Graduates to enable them suitable for VUCA. The Management of the Business School must have a vibrant Talent Management practices in place where the right talent to match the existing VUCA across industries has to be acquired, engaged, developed and retained so that the Business School can prepare the graduates who can fit into the existing VUCA world. Further, universities and educational institutions are not been able to update their syllabi in tune with the high speed changes taking place in the VUCA world. Hence, the students churned out are not equipped to meet the current industry requirements and often companies have to incur additional expenses (time and money) to train the new hires.

### **Issues of Quality:**

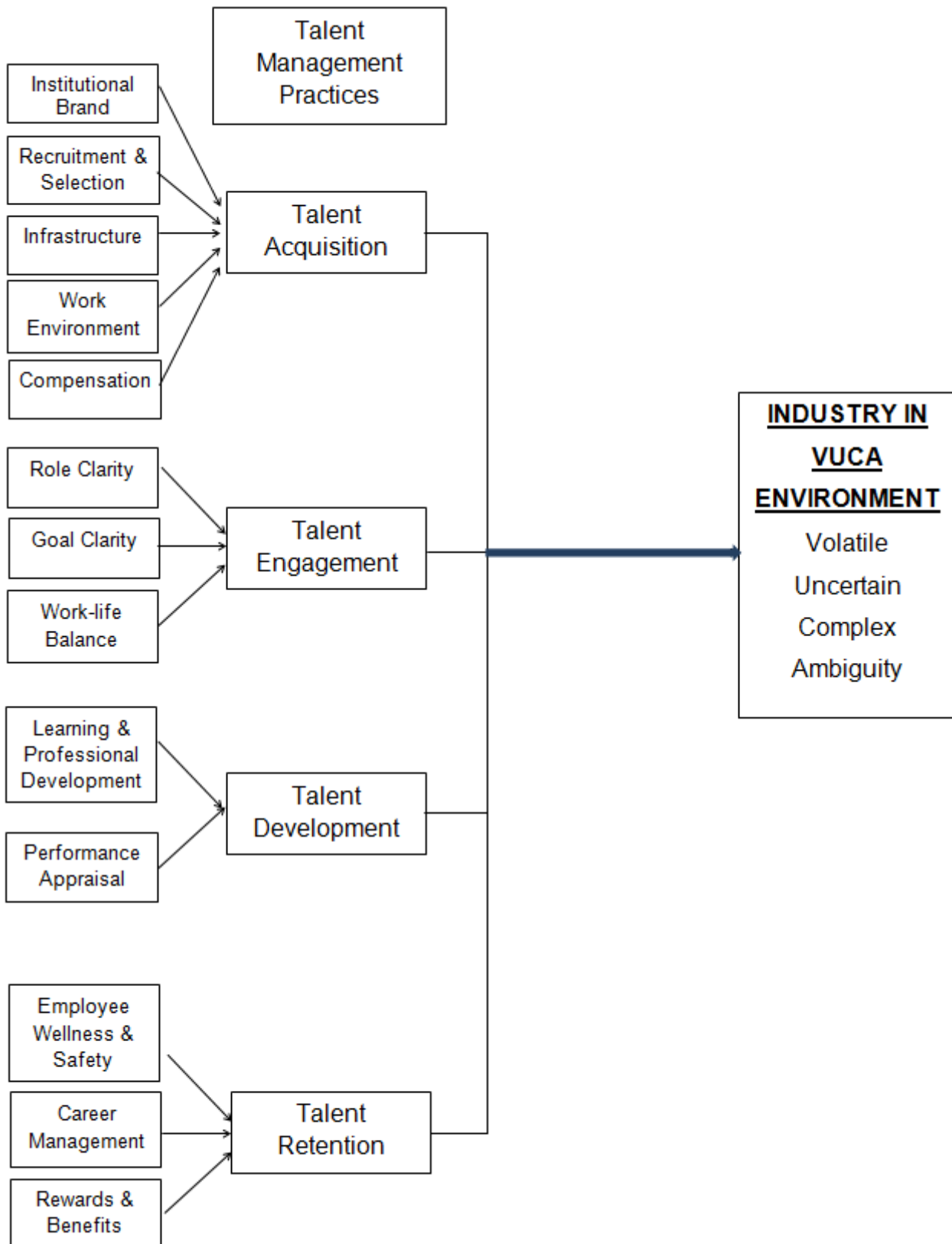
Employers criticize the curriculum at India's second-tier institutions—and to some extent even at the top schools—for paying insufficient attention to the skills needed in the workplace and to the kind of pedagogical techniques that reward innovation.

### **Industry – Institute interface**

This a critical dimension for any management institute as this interface decides the extent to which the institute becomes an acceptable brand. Industry Institute interaction has to be sustained and is beneficial for both. Industry can benefit from the knowledge base available with the management institutes and the management institutes can benefit from the field experience and the industry exposure through projects, guest lectures and update seminars.

It is necessary to have a realistic understanding about the expectations of the industry from management institutes to impart industry relevant management education in order to groom fresh graduates as managers under the conditions of VUCA. The industry interface can also be through faculty undertaking consultancy work and industry experts taking time off from the industry to serve a term in the management institute and / or the faculty member joining the industry to prepare case studies and conduct training programs as per the conditions of VUCA in the industry. Industry can also participate by sponsoring courses in the institute and participating in the research activities of the management institute. The gaps pertaining to the curriculum, pedagogy, faculty profile, student quality, placement related expectations, perceptions on overall performance and similar others are the subject matter of concern from the industry point of view.

### **Managing Talent Management: Talent Acquisition, Talent Development and Talent Retention in VUCA World in Management Education.**



**Talent Acquisition** Talent acquisition is a combination of resources, process and intellectual property combined with the organization’s recruitment practices adopted in tackling the so called “War for Talent”. Its sub processes are to: Find, attract and engage highly talented individuals into the organization. It also manages all candidate channels for improving the talent flow into organizations.

**Talent Management Practices in B-Schools:**

We are in the knowledge economy. The productivity of knowledge is increasingly going to be the determining factor in the competitive position of a company, an industry, and a country. Management scholars view good knowledge management practices as an important focus area for sustainable competitiveness. Today, the only way to have a competitive advantage is through Innovation and upgrading with a clearly measurable outcome of the productivity.

To achieve organizational objectives, TM has three basic elements:

1. Generation of new Talent
2. Dissemination of the Talent
3. Application of the Talent

### 1. The major problems pertaining to talent generation in Indian B Schools are as follows:

- Need for strategy and culture for research
- Need for support from top management.
- Need for credibility and quality in research
- Need for resources with regard to faculty and research staff
- Need for workable MOUs with industries for Consultation, Research
- Need for research on new trends of Business dynamics
- Need for research on appropriate curriculum for Management programs.

### Solutions for the problems of Talent Generation

- Research is a long-term investment and process and for that the involvement and commitment is a must from top management.
- Research Strategy and Focus on Niche Areas:
- Create Research Culture by giving special emphasis to involve Students in Research through serious summer training and research projects with a focus on the Quality and Credibility of Research:
- The area of concern in research in Indian B-Schools is to globalize their research activities since the corporates in a given industry are going global. So, there is a dire need to focus on Action Research & not on research for the sake of research and collaborate for Research:
- The solution to face Faculty /staff shortage is to maintain a healthy faculty-student ratio and AICTE need to look into this matter seriously while giving accreditation.
- The linkages between industry and B-Schools should not be only for recruiting grounds. Many Indian firms may be partly responsible for that. On the other hand, B-Schools in general have not developed the level of expertise required to find out optimal solutions to real life business problems. B-Schools need to take research more seriously and bridge this gap in the industry perception of quality of research being conducted by B-Schools.
- Curriculum research should be done based on the changes in the environment and industry. The B-Schools are time and again criticized for teaching what they want to teach instead what the industry wants. It's interesting to note that business and countries are going for globalization but not the B-Schools or their curriculum. In order to have a better global exposure, to suit the requirements of industry under globalization there is a pressing need for globalization of management education. The education must be global in its outlook and content must be multidisciplinary.
- Research on India specific teaching material needs more attention. Though there is some progress on developing teaching material in Indian context, still

there is need for developing more and updated teaching material for Indian context.

- Identifying Benchmarks: The B-Schools need to concentrate on the global benchmarking which enables to set bigger standards to compete with global players.
- There is need to carry out research on what attributes to be tested while taking the MBA entrance exam.

### 2. The major problems in talent dissemination in Indian B-Schools are as follows:

- Functional silos within B-Schools
- Lack of collaboration among B-Schools
- Lack of B-Schools-Industry collaboration
- Lack of industry interests in management development programs (MDP) and consultancies

### Solutions for the problems of Talent Distribution.

- To improve upon the functional silos within B-Schools, they need to focus on multifunctional approach.
- There is an immediate need for Collaboration with other B-schools in India and Abroad that enables B-Schools to get and distribute the knowledge across Globe.
- The B-School need to go for Talent mapping so that the employers know the best match between person and job.

### 3. The major problems in talent implementation in Indian B-Schools are as follows:

- Lack of integration of latest research in teaching curriculum
- Lack of updated and India specific teaching material

### Solutions for the problems of Talent Implementation

- By Integrating the Current Research issues in Class Teaching there will be great benefit to the graduates in terms of interrelatedness and greater synergy among teaching, research and consultancy.
- The B-Schools must start Taking concrete action on the research findings given by the committees who suggested improvements in management education

### Recommendations

**A. The following Talent Acquisition adaptive practices are to be aligned in the process under VUCA climate in Business Schools.**

- a) Recruitment and Selection:** It is suggested to select the teachers in Business Schools, the profiles must be taken from the industry where the profiles are having a proven functional experience and inclined towards teaching since they already experienced the VUCA scenario and the related dynamics of the industry and accordingly train the management graduates. In case of existing academicians in B-Schools, it is suggested to allow them to work in industry for few months in a year to prepare case studies and conduct training programs as per the conditions of VUCA in the industry.
- b) Institution Brand:** The business School must focus on building the Brand which is highly preferred by prospective employers, prospective employees, and



prospective students. The prospective employers must see the Business School as a potential source where they can get ready to use trained graduates who can fit into the VUCA environment.

The prospective employees must see the Business School as a brand which has a clear Mission and Vision where the process is properly aligned to the Mission and Vision. The compensation is best in the Industry. The quality Infrastructure and congenial work environment should be in place.

In case of prospective students, the brand should be perceived as a brand with top class faculty from industry and the curriculum should exactly match with current industry expectations. The Business School should have World Class Infrastructure and best placements and being labeled as employers' most preferred brand.

***B. The following Talent Engagement adaptive practices are to be aligned in the process under VUCA climate in Business Schools.***

#### **1. Tasks & relationships**

Being ignored by the boss is likely to make an employee more disengaged. The task clarity which was mentioned in the Job Description makes the professors more engaged.

#### **2. Inspirational & challenging goals**

Working on goals that are challenging and the clear and attainable vision of the company can inspire employees. But on a day to day basis, employees need to have their larger goals broken down into goals that they have to deliver in the short term. The teachers must be supported with good MIS to take instant decisions as required time to time.

#### **3. Make Time to Lead People**

Typically, more influential than pay, benefits, job requirements, working conditions and advancement opportunities is time with one's superior. A boss in any capacity who leads the employees makes time to talk with them, to listen to them, to share expectations and clarifications.

#### **4. A tested process.**

People need standardized process which facilitate smooth day to day transactions such as time table, academic monitoring report, time for research, availability of infrastructure for both academic and research, clarity in Leave policy, reimbursement policy, Performance Appraisal policy, Pay revision policy, Incentives and rewards policy. The process also should encompass goal setting, task management, exception handling, scheduling, and monitoring and reporting. It's not always the team leader who handles all those tasks, but the leader must know who's managing what, and how well, at all times.

***A. The following Talent Development adaptive practices are to be aligned in the process under VUCA climate in Business Schools.***

- 1. Learning and Professional Development:** The training should be provided to enhance the abilities in teaching, research and Consultancy to the faculty in such a way that the inputs given in the training are as per the volatile changes happening in the industry. It is also very essential that all the activities such as teaching, research, seminars and consultancy are to be measured in terms of qualitative and quantitative outcomes.

The support for Consultancy will certainly support the Business School to have more day to day interaction with the client company and as a result a lot can be learnt by both teachers and students. Faculty Development Programs conducted by outside Institutions. Future leaders are developed from within the Company

- 2. Performance Appraisal:** The Performance Appraisal document should be well balanced and should capture all specific, crucial outcome based components of the job majorly teaching, research, and consultancy. The performance Appraisal system has to be effective in promoting quality work which is fair and unbiased. The promotion and pay hike policy which is strictly based on appraisal report.

***B. The following Talent Retention adaptive practices are to be aligned in the process under VUCA climate in Business Schools.***

- 1. Employee Welfare and Safety:** The welfare and safety of employee to be given top priority by providing the facilities which keep the teachers physically fit and mentally sharp. The facilities such as the workstations, seating arrangements good rest and dining facilities, waste disposal, fire safety precautions will help in retaining the talent for long time.
- 2. Career Management:** Job rotation, job redesign practices will increase the all-round exposure of the faculty so that we can develop collaborative teaching and learning climate which will help benefit the career. Equal opportunity to be given for advancement in the organization. Job promotions to be awarded fairly without bias. No pay discrimination among the employees and the concept of pay hike purely based on the outcome of the assigned task, organizing Leadership Development programs for those who are also interested in Administrative positions will help the B School to retain the employees for a long time.
- 3. Rewards & Benefits:** The practices such as Incentives for publications, projects and Books, Provision for reimbursement of expenses incurred to attend the Conferences. reimbursement for Children Education Fee, Awards to the best performers in Teaching, Research and Consulting will certainly reduce the attrition of the B Schools.

### **CONCLUSION**

Talent Acquisition, Engagement, Development and Retention has emerged as an important global business challenge. They need systematic efforts to recruit, develop and retain highly productive and promotable people who suits to the present VUCA world. The following are the proposed suggestions.

- In this Global Talent Economy, Institutions of Higher learning in general and Indian Business Schools in particular, have a huge responsibility of creating new Talent and Talent workers.
- The B Schools are being criticized on various aspects such as creating new Talent related to curriculum, student needs, environmental changes, pedagogy.
- Continuous innovation must eventually be the top talent management goal. Teachers should focus the

talent management actions on innovations should benefit the B School to increase productivity.

- The recruiting, onboarding and retention should be based on priorities laid down in the company objectives.
- Rapid and accurate internal movement through Job Rotation and Job redesign as per the changing requirements of the School. Job descriptions must be continually updated, so that each job is constantly adapting.
- Organization learning speed must be measured and continually increased. Rapid and accurate learning as well as adopting new learning in the areas like hiring, performance appraisal, and promotion criteria. The best rapid-learning approaches and top performers and rapid learners must be identified and then shared with all.
- Leadership development must be expanded to more levels of the organization and the whole development process must be significantly accelerated.
- A flexible corporate culture with the attributes such as sharing, collaborative practices which allows work life balance and facilitates adaptiveness.

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