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Creating Talent Management Strategy

Case Isojoen Konehalli Oy

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ABSTRACT

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Attracting talented employees into a company and being able to develop, train, and retain them within the company is increasingly important in the modern hyper-competitive business environment. Talent is becoming scarcer due to changes in demographic factors, and the competition for top talent is heightened. Organizations that support and maintain successful talent management operations, and are systematically investing in human capital, are the ones to win top talent and ultimately achieve their strategic goals and objectives more effectively.

The purpose of this thesis was to create a holistic managerial plan for the case company Isojoen Konehalli Oy (IKH), concerning all aspects of talent management operations. Within this managerial plan, the study focuses specifically on creating systematic structures for identifying key positions and talent within the company, as well as creating structures for developing talent. In addition, the subject of attracting talent is approached by developing a plan for building a strong employer brand to be implemented in the near future, and by formulating a compelling Employee Value Proposition.

This research was made as constructive research, using thematic, semi-structured interviews and document analysis as data collection methods. The collected data was analysed qualitatively. The research interviews were held on three separate occasions with IKH's HR team and Marketing Manager. The interviews were divided into themes according to a talent management model used in this study, including subjects of planning, attracting, developing, retaining, and transitioning. These five main themes were further divided into smaller themes, depending on the subject.

The research results suggest the main focus in building IKH's talent management strategy will be on creating structures for planning talent according to the future needs and requirements of the company's strategic goals. With effective planning, the company is able to identify key positions that are vital for operations, and proactively answer to these needs. Adequate planning also enables future development of personnel, and employee competence assessment and developing programs were identified. Regarding attraction towards the company, IKH's employer branding will benefit from a holistic branding process that was ongoing while this thesis was written. Developing the organization from within through sufficient communication and leadership development will reflect positively on the external employer brand. Employer branding will encompass a wide range of different tools, channels, and tones while communicating relatable real-life stories from within the organization. The forming of the wanted employer brand will happen over time, but taking conscious, coherent steps towards the goal will benefit the company's overall brand image as well.

Keywords: strategy, strategic human resource management, talent management

FOREWORD

Writing this thesis gave me a unique chance to step out of my familiar comfort zone of marketing and dive headfirst into the fascinating world of human resources. Researching this subject expanded my knowledge and understanding of the multifaceted and extremely important role HR operations have in the success of an organization. The weight and significance talented personnel have in company's abilities to tackle the challenges of modern business life cannot be underestimated.

I would like to extend my warmest thanks to IKH's HR Manager Minna Rajamäki for suggesting such an interesting subject to be researched, and for the support and time she gave me during this research process. In addition, great big thanks to each of the participants of the interviewing process, and to everyone who read, commented, and supported this study along the way. Special thanks goes to my thesis supervisor, Anne Pohjus, for your guidance and encouragement during the writing process.

Finally, studying could not have been possible without the loving support of my family and friends, so from the bottom of my heart, thank you for always being there for me, cheering me on, and helping me take my mind off studying every once in a while.

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1 INTRODUCTION

In the modern world of rapid development, digitalization, and continuous change, competition is becoming fiercer across many fields. Companies are striving to gain larger sales and profits by further developing their products and services, increasing productivity, lowering costs, and finding special competitive advantages that separate and elevate their products and services from those of their competitors. A key factor in creating success for a company is its personnel. The right number of employees allocated in correct tasks, performing efficiently, innovatively, and cost-effectively while ensuring the high quality of products and services, is pivotal for companies' overall performance and success. (Viitala, 2014, p. 8.)

People are a crucial factor in innovating new solutions and improving existing processes. Therefore, personnel of a company can be considered to be the foundation for the company's operations, yet at the same time it is a fragile and delicate resource open to unsuspected changes and challenges. In order to reduce personnel-related risks, employees must be managed carefully with a far-reaching strategy for them to operate as a vital asset and a competitive edge for the company. (Viitala, 2014, pp. 8-10.) From a more humane perspective, it is important for employees to feel appreciated, valued, and respected in their work communities, they should feel they are able to fully utilize their personal talent, and know what is expected from them. Workloads should be reasonable, and the balance between work and personal life should be in place. A well-planned and well-managed human resource strategy affects positively not only the company and its success, but also individual employees, their wellbeing, and ultimately the wellbeing of communities. (Hunt, 2014, p. 14.)

The objective for a talent management strategy developed in this study is to create functional practices and processes to ensure the attraction, development, and retention of top talent, these activities also contributing to the improvement of overall organizational culture by enhancing employee engagement and well-being. The ultimate goal for a talent management strategy is to create outstanding competitive advantage for a company by utilizing its human capital to its full potential.

2 DESIGN OF THE STUDY

In this chapter, the case company Isojoen Konehalli Oy (IKH) is introduced, the purpose and objectives of the study are defined, and the conceptual framework and theoretical background of the study are introduced. In addition, boundaries for the study are set out. As this study concerns different aspects of talent management activities throughout the organization, the organizational structure of the case company is explained in this section. IKH's values and vision are also briefly discussed to gain a better understanding of the company's foundation, and of the prerequisites these elements set for the company's strategies.

After the research problem and the purpose and objectives of the study are explained, the theoretical concepts related to this research are then extensively examined and discussed in the theoretical part. After this, the chosen research strategy, data collection, and data analysis methods are explained. Based on the theoretical knowledge and results of the research, a solution, i.e., a talent management strategy, is formulated and reported. Finally, the outcomes produced in this study are examined and discussed, the validity, reliability, and ethicality of the study is analysed, and suggestions for future developments are given.

2.1 Case company Isojoen Konehalli Oy (IKH)

In this study, the objective is to create a talent management strategy for the case company, Isojoen Konehalli Oy (IKH), which is the writer's employer of nearly 15 years. Creating a talent management strategy for IKH will draw attention to the importance of planning and executing consistent talent management activities, and this way meeting current and future requirements for specific skills and knowledge. Throughout the theoretical portion of this study, different aspects of IKH's operations will be carried along and referred to within the text.

Isojoen Konehalli Oy (IKH) is a Finnish importing company that operates in the field of technical sales. IKH's wide product range of over 50 000 items consists of tools, machines, tractor spare parts, work clothing and protective gear, agricultural machines

and accessories, batteries, and tires. Products are imported from approximately 30 countries. In addition, IKH exports products to 20 countries, mainly to the Nordic and Baltic areas. IKH employs approximately 260 employees in Kauhajoki, where the offices, logistical centre and warehouse are situated, and about 450 employees combined, including the IKH super stores around Finland. Products are sold in the Finnish market through a wide network of retail stores. IKH was founded in 1968 and up until 2021, it was a family-owned company. In July of 2021, the company's ownership changed and IKH became a part of a multinational corporation, Grafton Group PLC, based in Ireland. (IKH, 2021a.)

The transition from a family-owned company to being a part of a multinational corporation is ongoing as this thesis is being written. Although the company's ownership has relocated to Ireland, the governance and decision-making continues to be performed locally by IKH's current management team in Kauhajoki headquarters, with Grafton Group overseeing the company's operations. With support from Grafton Group, the transition has made it possible to incorporate more modern ideas into operations, for example, invest heavily in digitalization and eServices, thoroughly go through and review product category management, develop far-reaching brand and marketing strategies, and further develop the company's leadership operations.

The next three to five years of IKH's operations are set out to be the years of change, development, and growth, and this thesis will partake in that change by offering a managerial plan to anticipate and answer to the ever-changing demands regarding talent management. At the same time, the global economy and competitive environment is rapidly changing and becoming more challenging for IKH as well, and this creates more pressure to critically review current strategies and strive to find innovative ways to exceed competition. This is where a high-performing, talented personnel will play a significant role in the future and is the quintessential reason for creating a high-functioning talent management strategy for IKH.

2.1.1 IKH's organizational structure

The structure of an organization defines the levels of hierarchy, formal reporting relationships, and the extent of control managers and supervisors have within the organization. It groups individuals into different departments and defines the communication and coordination systems across the departments. (Daft, 2016, pp. 88-90.)

IKH's organizational structure is vertically hierarchical, functionally grouped, with centralized decision making at the top. A functional organizational structure groups together employees, who have similar functions and tasks within the organization, regardless of what project they are working with (Daft, 2016, pp. 102-103). For example, all employees working with the function of marketing are working in the same department; some might be working with digital marketing, some may work with enriching product information for a website, and some in print marketing.

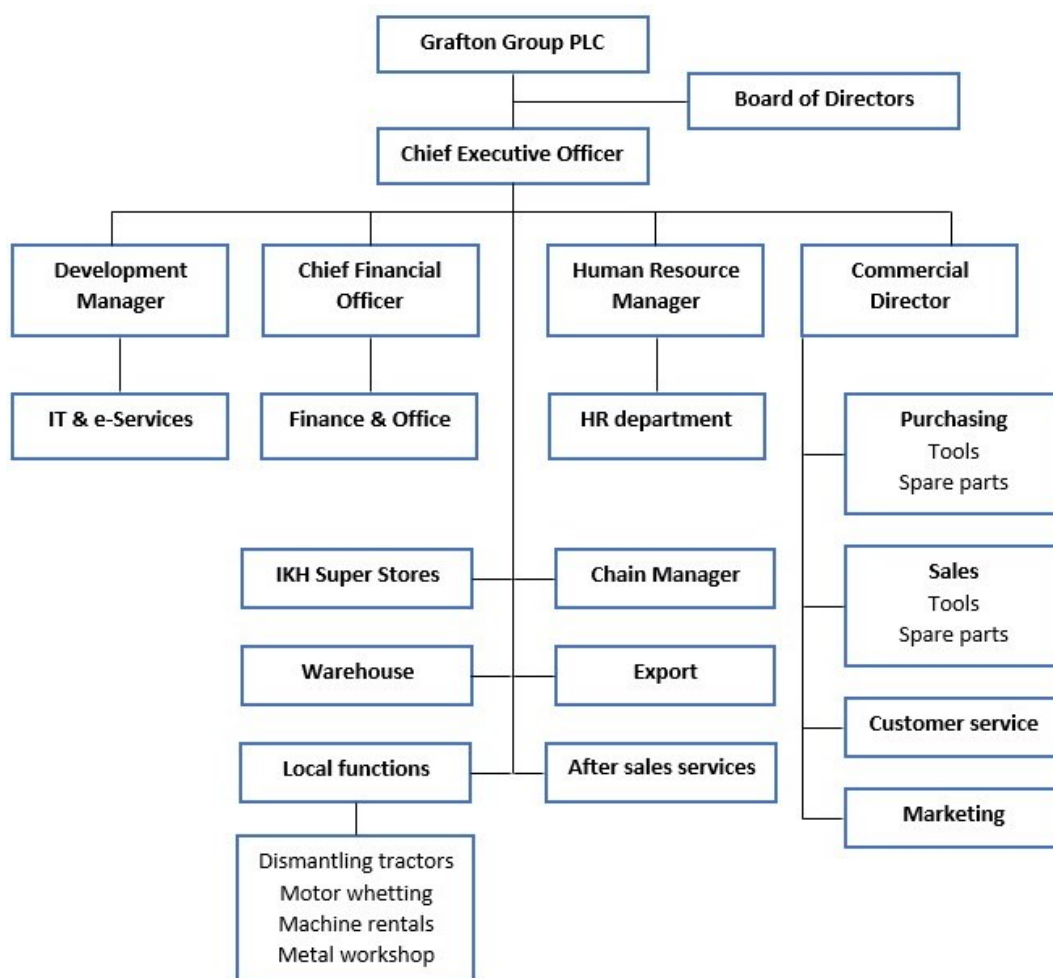


Figure 1. IKH's organizational chart (Rajamäki, 2022)

As presented in Figure 1, on top of IKH's organizational chart is the owner, Grafton Group PLC, followed by the Board of Directors. These are the two governing branches that oversee the company's overall performance and set out strategies and guidelines for the company's operations. The Chief Executive Officer (CEO) reports to Grafton Group PLC. The CEO oversees the execution of strategies across all IKH's departments, i.e., line managers of each department are accountable to the CEO. IKH has four main functions in its organizational structure under which all sub functions are located. Development Manager oversees the information technology and eServices department, Chief Financial Officer oversees the finance department and office personnel, and Human Resource Manager is in charge of the HR department. The Commercial Director is in charge of six departments that make up IKH's core business: purchasing (divided into tools and spare parts), sales (also divided into tools and spare parts), customer service, and marketing. All line managers in these six departments answer to the Commercial Director.

The writer's personal experience is that although IKH's current functional organizational structure enables an effective and straightforward way of operating, it can sometimes exclude and overlook some of the talent, know-how, and potential of personnel across departments. With this organizational model, decisions are made in the management level and communicated top-down, and departments are tightly siloed. Therefore communication, cooperation, and contact points between different departments are narrow, in many cases non-existent. This can hinder the flow of information and slow down decision-making. However, in an organization of this scale, hierarchical structure is certainly essential for the company to function and perform successfully.

2.1.2 IKH's values and vision

Company's values form the foundation for a business strategy, with which the company strives to achieve its vision. Company's core values are a set of beliefs and guidelines that create the basis for organizational culture and define the way a company conducts its business on all fronts. The values of a company determine the norms of acceptable behaviour within the organization, and form a unified, organization-wide belief-system, even if the personal values of individual employees differ from them.

Company values are asserted and reinforced by the top management, and it is a constant, invariable philosophy behind a company's actions. An employee is most likely to agree and embrace such values that are close to their own set of personal values. (Haines, 1995, pp. 34-37.)

IKH's values are divided into four segments; (1) reliable and professional service, which is achieved with competitiveness through efficient operations, and by being a fair and responsible cooperation partner, (2) operating model of continuous improvement, which means the company strives to develop its operations to be as straightforward and efficient as possible while practicing swift problem solving, (3) skilful and motivated personnel, as the company encourages a desire to belong to the team, maintaining professional skills, and rewarding profitable work, and (4) responsibility for environment and society, as IKH is involved in developing the local region and an environmental system is followed (IKH, 2021b).

A mission statement sets out the reason for the company's existence. It expresses the identity of a company and helps stakeholders and customers understand 'who' the company is and what the key elements of its operations are. (Edwards et al., 2014, p. 43.) Currently, IKH does not have a clearly worded mission statement as such, but the foundation of IKH's operations is the desire to meet customers' expectations with higher quality products and offer genuinely professional service (IKH, 2021c). The process of clarifying and wording the mission statement is currently ongoing. The vision of an organization clearly expresses what the organization aims to be in the future. It should be formulated in a way that is understandable and relatable by employees, they should be inspired by it, and willing to work towards the vision. (Edwards et al., 2014, pp. 41-42.) The vision of IKH is stated as follows: "The goal of Isojoen Konehalli Oy is to offer its customers, together with its dealer network, technical products and solutions with expertise, and to be among the most significant Finnish wholesalers in its field" (IKH, 2021c).

2.1.3 IKH's strategies

In this chapter, IKH's strategies are discussed. The concepts of strategic management are thoroughly explained in chapter 3. IKH's corporate strategy is to operate in the field of importing and technical sales, mainly in the Finnish and Nordic regions. IKH emphasizes expertise, professionalism, and customer-oriented thinking in all its actions. The company's operations are set to be long-term goal oriented, yet adaptable and open for innovation. IKH's operations are to be efficient, growth-oriented, profitable, and responsible. The goal is to create prerequisites for success for IKH and its partners, and in this way be the most desirable partner in the field of technical sales. (IKH, 2021c.)

IKH's business strategy includes offering a comprehensive business package to its partners, including marketing, storage logistics, product selection, after sales, IT-systems, and product training. The strategy also includes upholding confidential and sustainable relationships with its customers and its dealer network, as well as upholding high standards of quality when offering technical products for its professional and consumer customers. In addition, offering outstanding customer service and after sales service, guaranteeing excellent delivering reliability, and operating efficiently and responsibly are stated in the business strategy. (IKH, 2021c.)

A publicly traded company such as Grafton Group PLC requires precise planning, reporting, and risk management, and these structures are currently being put in place in IKH. For example, as part of its functional strategies, IKH is amid designing a detailed commercial strategy for the next three to five years. This strategy will strongly affect the operations of IKH's purchase and sales departments, and possibly alter the previously implemented working methods. Related to this, marketing department is developing its strategies concerning the IKH brand and the brands of IKH's own product lines, as well as developing a strong brand concept for IKH super stores. Amid all the changes and developments, it is vital that the HR department is aware of the decisions and new strategies for it to be able to respond to future needs in know-how and competence for each function and department. It is noticeable, that becoming a part of Grafton Group has been a catalyst for change in IKH, including a stronger emphasis in long-term strategic planning and thinking on multiple fronts.

2.2 Purpose and objectives of the study

The purpose of this study is to create prerequisites for sustainable success and growth for IKH by creating a comprehensive talent management strategy as part of its strategic human resource management operations. In preliminary discussions with the case company's HR Manager, it became clear that in the changing organizational environment resulting from a change in ownership, and in the tightening competition for talent within the labour market, IKH is in need of a systematic and holistic strategy for attracting, developing, and retaining top talent, i.e., humane capital. It is recognized at IKH's management level that high-performing and high-potential employees are key factors in achieving success in the modern, hyper-competitive situation, where information and knowledge play a crucial role.

The objective of this study is to produce a functional talent management strategy for IKH to be implemented within the next one to five years. The strategy is intended to benefit the company's HR operations in practice, and systematically help attract, develop, and retain top talent within the company, and in this way create significant competitive advantage for IKH's operations in the future. The talent management strategy is created in this study as holistic way as possible, focusing on

1. Creating systematic structures for identifying key positions and talent
2. Creating systematic structures for developing talent
3. Developing a plan for building a strong and attractive employer brand
4. Formulating an Employee Value Proposition

As mentioned in the previous chapter when presenting the case company and its strategies, due to a change in ownership, IKH currently has multiple ongoing development projects regarding, for example, digitalization and eServices, critical reviewing of product category management, and development of brand and marketing strategies. The next three to five years of IKH's operations are critical from the standpoint of development and growth, and in order for these development projects to be successfully carried out, a talented and capable personnel is of utmost importance. A high-functioning talent management strategy has the potential to proactively answer to future needs regarding personnels' level of knowledge and know-how, and in this way be able to more effectively accomplish the strategic goals set by the management team.

2.3 Conceptual framework and theoretical background

Key concepts of this study are strategy, strategic human resource management, and talent management. The theoretical framework of the study is presented in Figure 2. For a company to reach its goals and fulfil the vision discussed earlier, a strategy is needed. In addition to strategic planning by top management, the success of a company is largely reliant on the performance and execution of those strategies by the people working for the company. The level of efficiency, competence, and commitment of employees is reflected on how the company is achieving the goals set by management. (Viitala, 2014, pp. 8-9.)

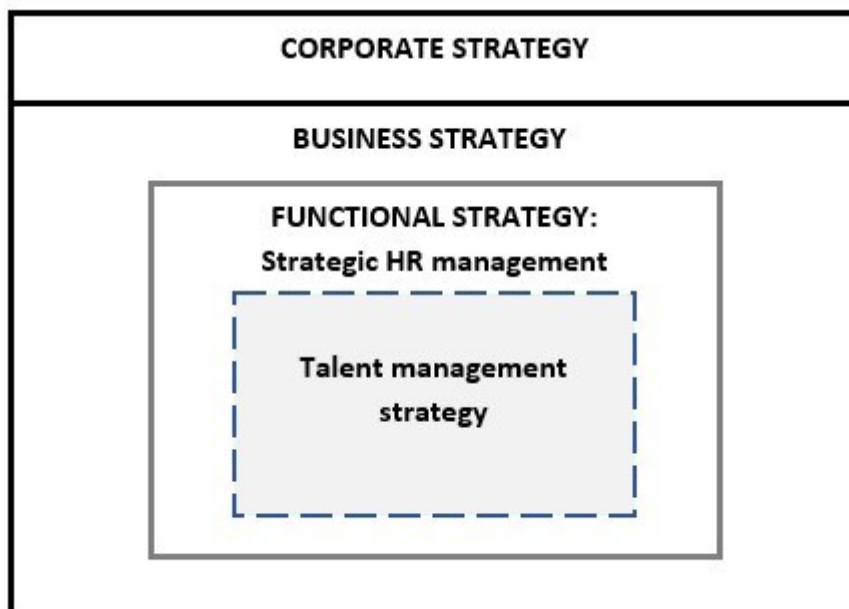


Figure 2. Theoretical framework

As depicted in Figure 2, strategic human resource management (SHMR) operates in accordance with the company's corporate and business strategies, making operative plans to manage the company's human resources in a way that the company's business strategy is realized. SHMR encompasses a wide range of operations, including the concept of talent management, which refers to planning, attracting, developing, retaining, and transitioning talent within the company. (Viitala, 2014, pp. 50-51; Momtazian 2021.)

Regarding IKH, a motivated and skilful personnel is stated in the company values and offering ‘Genuinely professional service’ is listed as the company’s operating model. The company considers its personnel to be one of the key factors in succeeding in the highly competitive market, and an operating model of continuous improvement is applied in all activities, including employee performance. (IKH, 2021b; IKH, 2021c.)

2.4 Boundaries of the study

The field of human resource management is extensive and wide, and for the sake of maintaining a reasonable extent to this study, it is necessary to limit some topics out. Strategic talent management operations refer to activities with which the company can attract, develop and retain high-performing employees within the company and in this way reach specific strategic goals set by the management team (Momtazian, 2022). The topic of talent management offers numerous different directions and opportunities to discuss operative HR activities in practice, such as talent acquisition, recruitment, and onboarding processes, however these are left out of the study. Instead, this study focuses on examining talent management activities purely from a strategic point of view, aiming to bring forth ideas and suggestions which can have strategic importance and potential to produce added value and competitive edge in the future, with regard to the company’s current and future objectives and goals.

For limiting the scope and extent of this research, the writer has also decided to exclude the broad topics of leadership and leadership development from this study, even though they are closely linked to the wider theme of human resource management and important part of organizational development and employee retention. Subjects regarding leadership operations and future leadership development activities are extensive as such and would offer an interesting topic to be researched in a study of its own.

Talent management strategy developed in this study only concerns IKH and its strategic human resources operations, excluding the nationwide Finnish IKH dealership network’s stores, as they operate as separate, private companies. This study only concerns IKH’s talent management operations in Finland and does not include the dealership networks in Sweden or Estonia.

3 STRATEGIC MANAGEMENT

Literature on strategy presents various different styles and angles on how to approach and create strategies in various stages and lifecycles of organizations. In this chapter, after defining the concept of strategy, the focus will be on studying how to develop a sustainable, successful business strategy that has the potential to create competitive advantage, and how to involve, utilize, and engage the company's employees in the realization of strategies at every level of the organization. In addition, strategic human resource management is discussed, and IKH's current strategies are briefly presented.

3.1 Corporate, business, and functional strategies

In general, strategies are divided into three categories according to the level in which they are designed and implemented: corporate level, business level, and functional level strategies. Although implemented in different levels of organization, all three levels are equally important in reaching the company's vision. (Viitala, 2014, p. 50.) These three levels are illustrated in Figure 3. The company's values, mission statement, and vision serve as the basis and the reason for designing corporate and business strategy, or multiple strategies, depending on the company and its operating field (Holfstrand, 2016).

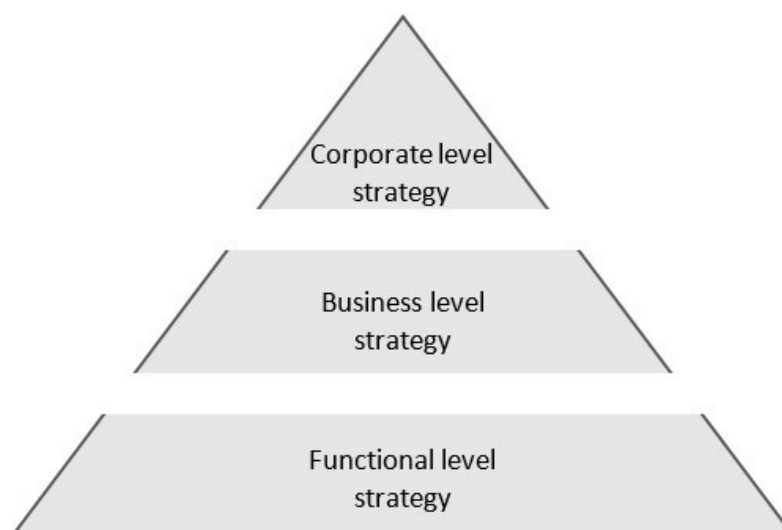


Figure 3. Three levels of strategy (adapted from Viitala, 2014, p. 50)

Corporate level strategy is the top-level strategy, which outlines top managements decisions on which markets to enter, what are the main ventures the company wants to be involved in, what is the level of diversification and internationalization of business, and what are the main goals and directions for the company. It also ensures all business units are operating according to this strategic plan towards the main goals. (Viitala, 2014, p. 50.) The ability to look ahead to the future, while taking past and present occurrences into account, as well as being able to execute difficult and bold decisions for the company's benefit are emphasized at this level (Santalainen et al., 2015, pp. 229-230).

Business level strategies are critical as they are designed to ensure the success in the chosen markets, which are defined at corporate level (Cook, 2022). A business strategy is the result of a well-formed, intentional, and logical planning process, where a series of specific decisions and actions are designed to advance the company from where it is, to where it wants to be in the future, aspiring to create value and competitive advantage in a specific market. A business strategy can originate from a systematic analysing of the company's current situation or past developments, or it can be discovered more intuitively, reflecting on what might happen in the future, or as a combination of both. (Grundy, 2003, pp. 5-6.)

Following the business level strategies are functional level strategies, i.e., operational strategies. These strategies are formed based on the business strategy and they are designed and implemented specifically to enhance and reach the goals within the different functions of the company, which in return supports the overall success of the business strategy. The operational strategies include, for example, research and development, production, HR, finance, sales, and marketing strategies. (Viitala, 2014, p. 50.) The effective implementation of operational strategies is largely reliant on the department managers; their communications skills, ability to make correct tactical decisions, and ability to align day-to-day activities of their employees to match the goals set in the business strategy. This highlights the fact that strategic management skills are not only needed in the upper-level management, but in fact in all levels throughout the organization. (Cook, 2022.)

Before the technological revolution, operational work was often divided into simple tasks performed according to specific instructions of lower-level management, therefore it was not necessary to inform every employee about the strategic directions and goals of the company. However, in the modern, hyper-competitive, and technologically advanced business environment, knowledge is considered to be the key asset and contribution of employees across the organization. It is critical that department managers and employees are well aware of the company's business strategy, and what is expected to be achieved through employees' actions. The business strategy must be linked to, and incorporated in the day-to-day activities of each employee, for the company to reach its goals set out in the business strategy. (Kaplan et al., 2002, pp. 233-235.) As Chambers et al. (1998, p. 48) point out, "At the end of the day, we bet on people, not strategies".

As is evident based on the knowledge above, creating goal-directed, dynamic strategies on all three levels of an organization, and executing them purposefully, can give companies prerequisites for maximizing their competitive advantage, as well as minimizing competitive threats. A strategy, which is poorly communicated or is merely implied by the actions of top management, is not achievable on the operative level. A business strategy should not be a static collection of empty sentences or rewriting of decisions that have worked in a competitive environment long ago, but instead should be a dynamic, constantly adaptable plan that answers to the current competitive and economic situation. The business strategy should be clearly linked to, and interact with the company's human resource strategy, and implemented so that the personnel is engaged, as they are at the forefront of executing the strategy in practice.

3.2 Strategic human resource management

Strategic human resource management is an important part of company's functional strategies, defining the way in which the overall business strategy is implemented through the activities of employees (Viitala, 2014, p. 50). In this chapter, the different concepts of human resource management are explained, and strategic human resource management is examined more closely.

In practice, different terms of human resource are commonly used as interchangeable concepts, where human resource (HR), human resource management (HRM), and strategic human resource management (SHRM) are all used to describe activities within this field. The difference between these concepts can be found in their purpose and use; HR is a hypernym term to describe all activities regarding human resources, it also directly refers to the department within the organization that is in charge of all matters involving the company's workforce. Within this wider concept of HR, the term HRM refers to the administrative leg of the department, where issues such as payroll, healthcare, legal and administrative matters are handled. (Hunt, 2014, pp. 2-3.) HRM is associated with the operational implementation of activities that include planning, acquiring, training, leading, evaluating, rewarding, and succession planning (Dessler, 2020, p. 39).

The term strategic human resource management (SHRM) differs from the more administrative nature of human resource management (HRM) so that it aims to link the company's HR operations to the company's overall strategic goals and aspirations. Within the organization, the fundamental purpose of SHRM is to create such assets based on humane abilities and factors which operate as prerequisites for the company's success. (Viitala, 2021.) As Hunt (2014, p. 15) points out, companies can plan unparalleled business strategies that have the potential to outwit the competition, but if the company is not able to acquire, motivate, commit, and retain the talent needed to execute these strategies, the company does not actually have, nor is able to gain competitive advantage within the markets.

In order for the business strategy to be realized successfully, strategic human resource management needs to ensure that the organization is employing the right people to work on the right things in a correct manner and provide employees opportunities for development. This way the company can maximize employee performance, connect personnel to the company's strategic goals, improve the company's overall outcome, and further develop the organizations personnel in a sustainable manner, which incites innovation and competitive advantage. (Hunt, 2014, pp. 16-17.) The main topic of this study, talent management, is an essential part of SHRM and directly linked to efficient implementation of the company's business strategies.

4 TALENT MANAGEMENT

Talent management has become an essential part of strategic human resource management especially in the modern, digitalizing age, where operations of companies require specific skillsets and knowledge from their employees to be performed in various different tasks throughout the organization. Employees with these skillsets, the high-performing talents, can be seen as the company's most valuable humane assets and become key factors in the company's path to success. (Hunt, 2014, p. 15.) In this chapter, the concept of talent management and its components are examined and explained in detail. The theoretical content of this chapter will operate as the basis for creating a talent management strategy for IKH.

The concept and importance of talent management as strategic advantage surfaced and became a mainstream talking point when an American research called 'The War for Talent' was published in 1998. This research emphasized the burning importance and urgency for talent management within companies regarding attracting, developing, and retaining high-performing employees. The research stated that "Superior talent will be tomorrow's prime source of competitive advantage. Any company seeking to exploit it must instil a talent mindset throughout the organization, starting at the top" (Chambers et al., 1998, p. 48). It is widely recognized that talent management is more than traditional HR operations of hiring new employees and taking care of personnel's everyday needs, but it is a more holistic, strategically integrated, and goal-oriented process of planning, attracting, recruiting, developing, managing, and retaining high-performing employees and potential talents (Dessler, 2020, p. 135).

When examining the attributes of successful organizations, Ready et al. (2014) found commonalities in companies that thrive in their own fields, and pointed out features that prompt game-changing organizations in their fields; they are purpose-driven, performance-oriented, principles-led, and have superior talent strategies. A superior talent strategy is a far-reaching effort, but it must also be flexible, easily revised and adjusted. It creates a climate that is more than the sum of its parts – an atmosphere of magnetic, attractive energy, and a spirit that fosters innovation and allows people to develop, grow, and thrive within the organization. (Ready et al., 2014.)

Talent management can be divided into five categories as shown in Figure 4, which are planning, attracting, developing, retaining, and transitioning. Each of these five categories include specific activities that form the operation model for a company's talent management strategy, and when closely designed in accordance with the company's strategies, this model has the potential to create competitive advantage through HR assets and enhance the overall performance of the organization. The main goal of talent management is to utilize human capital as a carefully considered strategic tool for the company's advantage. (Momtazian, 2021.)

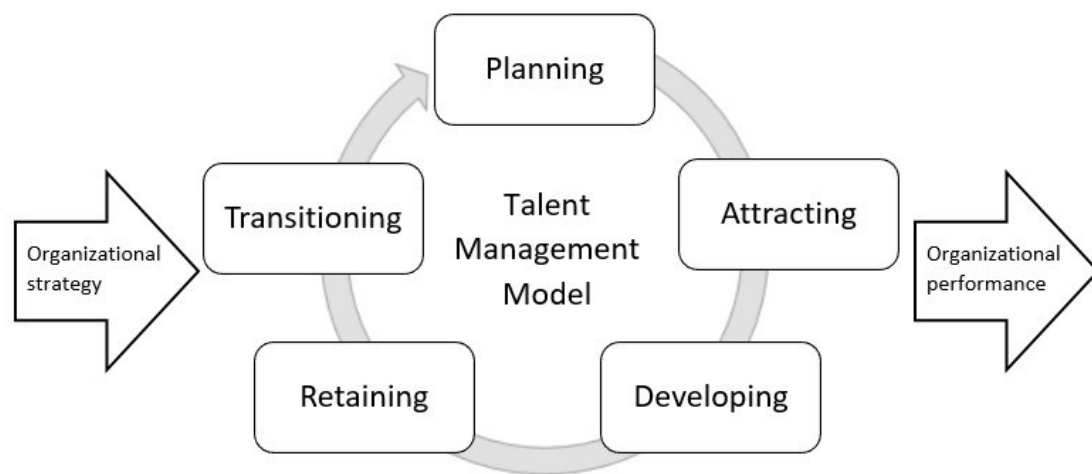


Figure 4. Talent management model (adapted from Momtazian, 2021)

The model depicted in Figure 4 is chosen as the basis for IKH's talent management strategy as it is one of the more comprehensive models found in literature and offers a holistic approach to creating a talent management strategy, from the beginning of the strategic HR process of planning, until the end of the process with employee transitioning. The five categories and their specific activities are examined next.

4.1 Planning

In this chapter, the first step in the talent management model, planning, is introduced. Talent management planning aims to ensure that there are high-performing employees and successors available for key positions at any time. It ensures that there are systematic structures in place for identifying and developing talent within the company, which in return helps achieve long-term, committed careers, and supports succession

planning. Planning also ensures that the company has processes in place to utilize its employees' talent and potential to its maximum in order to reach the company's strategic goals. (Trost, 2013.) Planning is a proactive measure to ensure the sustainable availability of workforce in crucial positions across the entire organization (Momtazian, 2021).

In his lecture, Dr. Collings (2012) introduces four main schools of thought in defining talent management in literature within the past two decades. The first suggests that talent management is a mere synonym or a substitute for traditional HRM, without any considerable added value put into planning or developing the company's strategic talent management operations. The second school of thought is the development of talent pools. This line focuses on manpower and succession planning within companies, projecting and forecasting future staffing needs, making sure there is always adequate number of personnel in correct positions, and planning and managing the progression of employees through different positions. Although it does have more focus on talent management than the first, it is still limited in its scope. (Collings, 2012.)

The third school of thought has been more influential to the development of talent management field as a whole, and it is management of talented people. The idea is for companies to focus on acquiring, identifying, and developing top-performing employees. This line of thinking is based firmly in 'The War for Talent' research, where the focus and goal is to fill all positions with top talent, i.e. 'A-players', while managing 'C-players' out of the company or upgrading and developing their talents to match the company requirements. This line of thought is undoubtedly efficient, but also raises critique: are all the company's positions necessary, cost-effective, or even possible to be filled only with high-performing 'A-player' employees. (Collings, 2012.)

The fourth school of thought is the identification of key positions within the company. Rather than filling every position with 'A-players', this ideal starts by identifying the most crucial positions of the company and filling them with high-performing employees. Succession planning and employee development is mostly focused on these positions. The idea is to focus on strategically important roles with an above-average impact, where a high-performing talent can create competitive advantage. This also pre-

vents the company from over-investing into non-strategic roles. Based on these theories, Dr. Collings has presented a model for planning talent management, presented in Figure 5, which combines key elements of the previous theories. (Collings, 2012.)

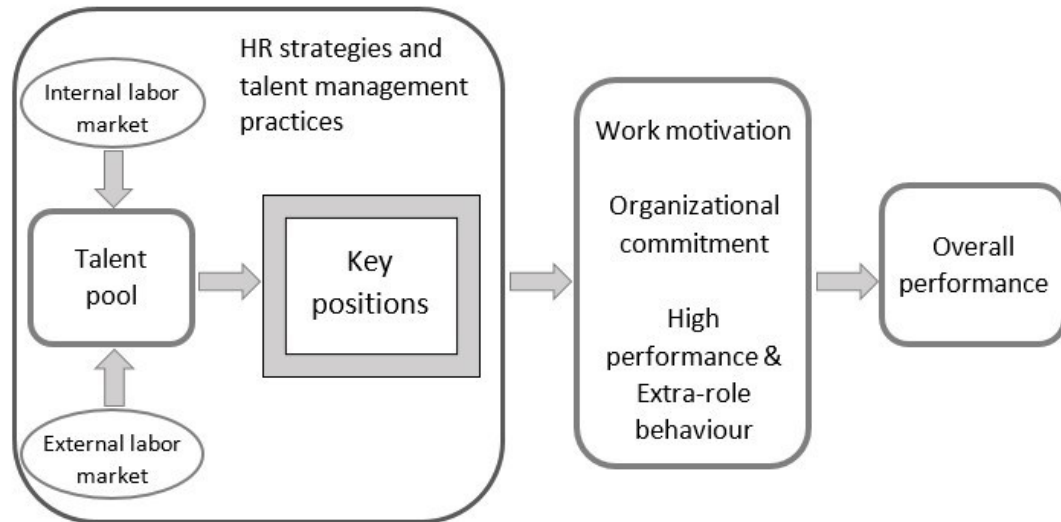


Figure 5. Talent management planning model (adapted from Collings, 2012)

The starting point for this model is in the centre of Figure 5, where the pivotal key positions, which have strategic importance for organizations sustainable competitive advantage, are first systematically identified. Feeding into these key positions is a talent pool of high-performing and high-potential employees, where internal labour market is considered to be the primary source for talent and potentials, however external labour market is also utilized. These operations are affected by the organizations HR strategies and practices, which include differentiated HR practices of attracting, identifying, managing, developing, and retaining talent and potential talent. (Collings, 2012.)

Identifying key positions, establishing, and utilizing a talent pool, and implementing superior HR and talent management practices to develop and retain high-performing top talent for the organization will lead to high work motivation, high organizational commitment, as well as extra-role behaviour where an employee is motivated to exceed expectations. High-performing personnel will lead to better overall organizational performance. (Collings, 2012.) Dr. Collings' model is chosen for this study, as it is an extensive planning model, it can be implemented within IKH's organizational

structure, and it has the potential to offer strategic benefit in recognizing key positions, as well as providing a systematic structure on how to fill these positions proactively.

4.1.1 Identifying key positions

Identifying key positions within the organization is done by systematically analysing the operations and examining processes with respect to the organization's mission and purpose, and recognizing the most important positions, which have strategic importance to the company, and at the same time recognizing the most vulnerable positions, where operations would significantly deteriorate if left unmanaged or if the task was managed insufficiently. In addition, positions that have the potential to produce value for the company when performed by a high-performing employee need to be identified. (Collings, 2012.)

Traditionally, positions have been ranked by companies based on the inputs of employees. Dr. Collings (2012) suggests that rather than focusing on ranking the positions through these inputs, i.e., employees' educational level, years of experience, or special skills, the positions should be ranked by focusing on the potential outputs of the position, i.e., what added strategic value is, or could be produced in a specific position. A company should not overinvest in non-strategic positions but put importance in positions that add strategic value to the organization and steer their top-performing employees and potentials to these key positions through talent management operations.

For example, a highly educated, experienced, high-ranking employee could be working in a certain position of an organization, and based on the employee's input, this could automatically be viewed as a key position. However, if the outcome of the task does not represent strategic importance for the company's operations, and if it does not add value, it would not be ranked as a pivotal key position regardless of the employee's high input. In another example, an employee could be performing on a 'bare minimum' level, only just fulfilling what the job description requires. Yet, when critically reviewing the company's operations, this task could be labelled as a key position, if the potential outcome of the task, when performed at an outstanding level, would produce significant added value for the company. This would indicate that this

in fact is a key position, and that there is a need for talent management through development or repositioning. (Collings, 2012.)

Combined with identifying top talent, this reviewing process gives an overall understanding of where the company's high-performing employees are situated and to which direction, and to which positions it would be beneficial to develop these employees into. Identifying key positions also requires planning and projecting into the future; where the company aspires to be in the next three to five years, and what type of new positions and skills will be required, and what labour demands this sets on the company. (Viitala, 2021.)

In traditional HR planning, the process of identifying key positions begins with recognizing critical positions, which need to be managed to ensure uninterrupted continuation of operations. The critical positions can be of managerial, technical, or supporting nature. These can be tasks that currently have only one person managing the unique task (high vulnerability), tasks that require specific knowledge and expertise, or that are rare in the market (difficulty to recruit and/or specific knowledge developed over a long period of time), tasks that have employees retiring in the coming five years (succession planning and knowledge transferal), positions where an employee has wide internal or external networks, that have strategic importance for the organization (knowledge and relationships developed over a long period of time), tasks which are geographically located in particular locations (difficulty to recruit), and finally, managerial roles, which have operational and strategic importance. (Kahar, 2016.)

Critical roles can also be reviewed from the perspective of the organizational structure. Examining the structure, critical positions can be pin-pointed, for example, to key managerial positions (the scope of responsibilities, the level of top-down leadership and guidance), to positions where a line manager has a high number of subordinates or direct links and reporting relations with other departments (direction and guidance, information transferal), or to operative positions in the lower-levels of the organization, which are pivotal for the organizations functions (key sales personnel, customer service). (Ingram, n.d.)

4.1.2 Creating a talent pool

After identifying key positions in the organization, the next step in planning talent management, as shown in Figure 5, is to establish a talent pool, which will help provide qualified, high-performing, and top talent employees to those key positions when needed. It is essential to be proactive, and plan and compose a high-quality talent pool based on future forecasts and needs. (Collings, 2012.) Rather than recruiting a new employee to a key position ad-hoc as a need arises, preparing for it beforehand and understanding the importance of creating a talent pool helps the company anticipate and answer to recruitment needs quickly, and have high-quality candidates listed ready. This way hiring can be executed from a strategic standpoint. “The best time to source a talent is before you need it” (Hunt, 2014, p. 67).

A talent pool is a collected database that contains information of potential, engaged, skilled candidates who have previously worked for, applied for, or otherwise shown interest to be working for the organization. It can include former employees, interns, freelancers, employee recommendations, people who have informed their interest in working for the company, and so called second-choice applicants who have not previously been chosen for an opening, but who show potential. Collecting and tapping into an existing pool of talent shortens the recruitment process and saves time and money for the company. A company can uphold multiple talent pools for different roles and positions. (Sternberg & Turnage, 2017, p. 129; Barrat, 2021.)

A talent pool can also be maintained of company’s internal talent, where employees’ skills and career development desires, expectations and capabilities are listed. Internal talent pool is generally utilized first, especially when looking to promote employees to leadership positions. (Viitala, 2021.) This policy is also called a talent pipeline, where existing employees are systematically developed and transferred to new roles within the company, as a part of succession planning or as a solution to a new key position developing within the company (Barrat, 2021). Internal recruitment is viewed the fastest and most cost-effective route, however external recruitment is a necessity in some cases, as the company might not have the required knowledge or talent, or abilities to develop current employees for a particular key position. In some instances, it is beneficial to hire from outside to gain some new perspective. (Collings, 2012.)

The process of building a talent pool begins with sourcing possible talent through multiple channels. A talent pool should strive to be as diverse as possible, so that women and minorities are given equal chances in obtaining higher positions and encouraged to advance their careers. Existing internal and external talent pools often tend to be homogeneous, attracting similar candidates, as they are often collected from familiar, usual sources. Therefore, it is beneficial for an organization to expand the range of channels it sources for talent. For example, sourcing for new talent can be done from part-time jobs, internships, and school-related collaborations and programs, career and trade fairs, company's social media channels and career website, or by actively sourcing different career portals. (Chambers et al., 1998, p. 12.)

The next step in creating a talent pool is segmenting the collected information of possible candidates according to company needs. Segmenting can be done from the job-oriented point of view; the departments and locations of positions, and specific skills or requirements, certificates, diplomas needed to execute them, and from a talent-oriented point of view; the specific skills and training of an applicant, past experience with the company, level of motivation and other factors that are known of the applicant. (Personio, n.d.)

After segmentation comes engagement of the talent pool. This phase is very important in keeping the interest of prospective employees, sustaining a positive relationship with them, and regularly drawing positive attention to the company. Engagement may include feedback of a previous recruitment process, providing some additional general knowledge of the company, sending birthday greetings or invitations to company events, or creating interesting content to company's career site and social media accounts. The idea of engaging the talent pool is to keep reminding the prospects about the company as an important employer and expressing the company's interest and appreciation to the possible candidates and creating enthusiasm to join the company. (Personio, n.d.)

The last step of utilizing a talent pool is recruiting from it. When a position opens and the company contacts a prospect from the talent pool, the probability of them joining the company is higher when they have been regularly reminded, contacted, or paid other attention by the company. In addition, if a previous recruitment process has been

handled with care from start to finish, it creates a positive image of the company to the candidates who were not selected. (Personio, n.d.) Building and maintaining a high-quality talent pool is an effective long-term strategy in proactively ensuring that the company's recruitment needs are being filled (Collings, 2012).

4.1.3 Identifying talent

The definition of a talent or a high-performing employee can vary from organization to organization, depending on their goals, HR strategies, and cultures. In literature, a talented employee is generally considered to be a high-performing individual, who brings particular value to an organization, who has high potential for producing value in the future, or who is successfully filling a critical role in the organization. (Momtazian, 2021.) Especially for senior level positions and critical functions of an organization, it is crucial to recognize and place high-performing people with the ability to adapt, make quick decisions, and lead in situations of change or high uncertainty (Chambers et al., 1998, p. 45).

The know-how and competence of an employee can be divided into general competence, professional competence, and task competence. General competence covers the overall knowledge and skills in working life; social skills, ability to adapt to different situations, and ability to tolerate stressful situations. Professional competence is related to the skills and abilities of the field in which an employee is operating, and task competencies are related more specifically to mastering a specific task within this field. Performance of these skills and competencies are affected by the level of motivation, aspiration, and commitment of employees, as well as the conditions provided by the employer; overall working conditions, onboarding and training, healthcare and well-being, and management operations. (Viitala, 2021.)

These professional and task related competencies can be further developed through training and guidance, however employees who are seen as top talent have some intrinsic features that elevate them as distinguishably high-performing employees, and these attributes may be more difficult to learn or develop. These features are related to the ability to solve problems, inner drive to excel at a task, self-direction, abilities in

strategic thinking, and ability to take initiative. High-performing employees are described as eager, ambitious, self-sufficient, and self-motivated, reasonable and decisive, innovative and adaptable, they have strong work ethics, consistent record of success, great interaction and ability to support and inspire others, and they consistently perform above of what is required of them. These employees adopt and share the organizations mission, vision, and values and operate according to them, while executing the strategy. They are eager to gain feedback and develop and grow in their positions. (Joubert, 2007, pp. 3-6; Personio, 2022.)

In addition to recognizing existing top talent, a company may have high-potential employees within their internal talent pool. High-potential employees have the ability, agility, engagement, and aspiration to embark on more challenging roles, such as leadership, specialist, or other critical roles within the organization, when given the chance and room to grow and develop into these roles. High-potential employees are consistently excelling in their work performance, they show extra-role behaviour and are operating beyond their current job description, they embrace the company values and organizational culture and thus fit well into the company, they are eager and take initiative to learn more outside their current position, they possess emotional intelligence and abilities for leadership roles, they seek and are able to accept feedback, and they are looking to ways to progress into more demanding roles where they can contribute and add more value for the organization. (Pacor, 2022.)

Recognizing both, top talents and high-potential employees requires tracking, observing, measuring, and analysing. These activities can include annual, biannual, or quarterly performance reviews, personal observations, interviews and feedback, or the use of more systematic tools, such as the High Potential Trait Indicator (HPTI), the Nine Box Talent Grid model, or setting Key Performance Indicators (KPIs) as a way to identify top talent. Identifying, building, and retaining key talents within the company relates closely to the objectives of the company; the talent, know-how, and operational core competence within the company must be in line with, and benefit the overall strategic goals. (Pacor, 2022; Personio, 2022.)

In contrast to the research ‘The War for Talent’, Dr. Collings (2012) suggests that not all employees need to be, nor can be ‘A-players’, but the ‘A-players’ need to be identified, developed, engaged, and retained within the company. The idea of a ‘cut-throat’ HR strategy, where low-performing ‘C-players’ are simply directed out of the organization does not fit the values of many Finnish companies nor the country’s legislative norms. Therefore, the importance should be on recognizing top performing and potential top talents and ensuring their development and retention within the organization. Lower performing ‘C-players’ are also recognized and designated to tasks that will match their competencies, and they will be encouraged to develop and perform their tasks to the best of their abilities.

4.2 Attracting

The second category in the talent management model presented in Figure 4 is attracting talent. In this chapter, the focus is on describing what is meant by attraction in talent management, and how to attract top talent, high-performing employees, and high-potential employees into the company. However, this chapter will not go into detail about operational HR recruiting processes in practice. The attraction part of talent management has strong affiliation to marketing, as it pursues positioning the company as an attractive employer within the labour market in relation to other employers in the field. The concepts of employer branding and Employee Value Proposition (EVP) will be discussed as part of creating a superior talent management strategy.

The reputation and image of a company affect not only the products and services sold, but also the perceptions and impressions possible candidates have of the company within the labour markets. Positive preconceptions and impressions of a company have the power to actualize as attraction and pull within the labour market and can trigger first contacts from candidates. Creating an attractive employer image is about communicating the opportunities and value a company can offer a candidate, at the same time portraying the company in a realistic manner throughout its communications and the application process. The preconceptions of an applicant influence the employee experience from the first contact through the entire employee journey, ultimately affecting employee retention as well. (Momtazian, 2021.)

The creation of talent attraction is closely tied to organizational culture. An organization that fosters transparency, collectivism, collaboration, trust, and respect in its operations embodies a desirable work environment for possible candidates. Authenticity must be kept in mind while communicating the essence of an organization; a company cannot promote desirable features or inflated value if the organizational culture and experience do not support these claims in reality. This would only result in high numbers of personnel turnover and a poor employer brand reputation. Incorporating company values in all activities, committing top level management to HR operations, prioritizing high-performing organizational culture and fair and effective leadership operations, supporting collectivism while considering individual needs of development and growth, as well as enforcing a strong sense of purpose and belonging are crucial factors in creating an attractive employer organization. (Ready et al., 2014; Mosley & Barrow, 2014, p. 8.)

The notion of an attractive employer is dependent on the subjective view of an applicant of what they see as attractive, and what features they expect and respect in an employer. However, features considered universally positive can be emphasized through communications, and organic, intrinsic positive energy and spirit within the organization can be reinforced and conveyed outside the organization. Constructing an employer brand is often left to chance by letting it formulate spontaneously according to scattered messages, experiences, and observations of possible candidates without managing or guiding the narrative. However, attraction should be systematically and deliberately created and managed through means of marketing; by employer branding and by formulating a compelling Employee Value Proposition. (Lawler, 2008, p. 68.)

4.2.1 Employer branding

Creating and managing a strong and attractive employer brand is one of the key elements in attracting top talent and becoming a talent magnet. In marketing, a brand is defined as “a name, symbol, logo, design or image, or any combination of these, which is used to identify a product or service and distinguish it from those of competitors” (Kotler et al., 2019, p. 377).

A brand can be a product or a service, as well as a person, a place, an organization, or an idea, where the brand offers added, unique, differentiated value for the recipient in addition to its original purpose and function, and represents the overall experience people can expect from the brand. Strong brands often evoke personal feelings and commitment and are highly successful in creating mental images for customers. Brand management is a strategic tool that adds value for the company by linking a physical need of a product, service, or an organization to an emotional commitment. Employer branding is related to emotional branding, rather than functional branding, as the concept is often intangible in nature and the purpose is to evoke feelings of reliability, trust, and a desire to become part of the organization. (Kotler et al., 2019, pp. 376-377.)

An employer brand is formed regardless of it being intentional or unintentional. People will form their perception of a company as an employer based on the company's overall image and reputation, as well as thoughts and feelings that are formulated over experiences, communication, or hearsay. Therefore, an employer brand is not always a true representation of the company based on facts, nor is the brand image same for everyone. External reputation and perception within the labour market are fundamental factors in organization's employer brand equity, and it is useful for companies to accept and embrace the fact that brand image cannot be fully controlled even with intentional communication or messaging. A large part of an employer brand will formulate according to individual interactions, experiences, and associations, as an employer brand is not separate from company's actions or its organizational culture. (Mosley & Barrow, 2014, pp. 4, 82.)

Employer branding aspires to influence and guide the general conception and reputation of the company as an employer in the eyes of current and potential employees. A clear employer brand helps potential job seekers determine if the company would be suitable for them. In addition, a strong and genuine employer brand helps maintain a positive company reputation, helps retain current talent and strengthen the organizational culture, increases employee referrals, attracts top talent more easily, and helps build a wider, high-quality talent pool. Employer branding should not be seen merely as advertising activities or recruitment campaigns, but a holistic approach to managing

the narrative to both internal and external labour markets. (Mosley & Barrow, 2014, pp. 7-8; Daley, 2022.)

Building a strategically valuable, intentional employer brand is a long-term process that begins from the foundation of the company; from specifying the purpose, i.e., the mission of the company, and the core values on which every aspect of the operations are based upon. Defining and communicating this company statement internally supports forming of the overall organizational culture and supports employee engagement. The company's purpose, goals and organizational culture can then be communicated effectively to external labour markets, and possible candidates can form an employer brand image based on facts rather than assumptions. When the company statement is clear and the purpose and goals are known, defining the type of talent needed in the talent pool, as well as specifying the target audience for employer branding, becomes more purposeful. (Daley, 2022.)

The second step in building an employer brand is auditing the current employer brand in order to learn how target audiences view the company and what their experience has been so far. Whether managed or not, the brand exists in the minds of current and potential employees. Auditing denotes going through different channels and styles of advertising and communicating to labour markets that might affect the formulation of an employer brand in the minds of the target audience. The collected data should be honest, practical, and meaningful for a realistic depiction to be formed. The final step in the employer branding strategy is formulating the messages, tones, and channels in which this employer brand is going to be communicated to target audiences. The messaging is done to reinforce and steer the brand towards the wanted image and to reach and attract the targeted candidates from labour markets. (Mosley & Barrow, 2014, p. 95; Daley, 2022.)

Employer branding benefits from telling relatable stories, which help potential talents connect to the brand on an emotional level. Humanizing the brand, highlighting personal experiences of employees or applicants helps make the employer brand easily accessible, credible, and down to earth, and is far more effective and compelling than stating facts and numbers about the company. (Vikman, 2022.) As Kotler et al. (2019, p. 376) pointed out, strong brands are emotionally engaging.

Bringing employee experiences, successes and personal milestones forward make the employees feel special and appreciated, while showing external groups how employees are valued within the company. A current trend in employer branding is to encourage employees to operate as employee ambassadors and create inspirational content and promote a positive employer image in social media channels for a wider network. Employer branding should embrace the organizational culture and proudly promote it internally, as well as externally. A high-functioning organizational culture has the power to create a movement from inside. Most credible arguments come from within the organization as employees organically promote the employer, bringing the Employee Value Proposition to life, and displaying a strong sense of one 'tribe'. (Forbes Expert Panel, 2022; Mahony, 2022; Vikman, 2022.)

People have a strong need to belong to a 'pack'; to be surrounded, accepted, and respected by like-minded people. Strengthening the sense of community and togetherness within the organization and reinforcing the desire and willingness to belong to this 'tribe' sends a strong message to possible candidates and adds the attractiveness of the employer. It adds to the 'hype' of the company, as current employees are excited to be a part of the team and are happy to share their experience. In this sense, building a strong employer brand has solid roots within the internal organizational culture and customs. (Kodden, 2020, pp. 61-62.)

The most effective and sustainable way of creating a positive employer brand is developing the company from within; focusing on developing the leadership and HR operations, as well as ensuring high-quality working conditions and equal treatment for all employees. Trust and appreciation shown to company's personnel translates to a great employee experience, genuine commitment, enthusiasm, and innovativeness, and in this way ultimately promotes a positive employer brand, which in return attracts more top talent. (Viitala, 2021.)

4.2.2 Employee Value Proposition

A key element in creating talent attraction within the labour market and reinforcing the wanted employer brand, is formulating a compelling Employee Value Proposition (EVP). An EVP answers the question ‘Why would smart, energetic, ambitious, talented individuals want to work here?’ (Chambers et al., 1998, p. 46). An EVP, also called a People Promise, is a statement that summarizes the most important components of a company’s employment offer, while conveying the spirit of the company. An EVP clarifies what can be expected from the company as an employer, as well as what is expected from an employee as part of the organization. An EVP can be viewed from the marketing perspective as branding the ‘product’, i.e., the job offer, and stating the defining qualities the employer wants to be known for. It has a crucial role in creating attraction within the labour market among top talent. The previously discussed employer brand is occurring outside of the company, while the EVP originates from within the company. (Mosley & Barrow, 2014, pp. 4, 7, 139; Daley, 2022.)

While the purpose of an EVP is to operate as a branding tool and emphasize the positive aspects of the organization as an employer, an EVP should be formulated based on the company’s purpose and values for it to be transparent and authentic, and the promises made should be kept through the entire employee experience. The EVP does not need to appeal to everyone, or offer ‘everything for everybody’, nor does it need to list everything the company has to offer for its employees. Instead, it needs to capture the attention of the right talent, inform the advantages and value offered, and convey the essence, or the ‘spirit’, of the company to target labour groups. (Chambers et al., 1998, p. 51; Mosley & Barrow, 2014, pp. 7-9, 139.)

Formulating an effective EVP requires reflection on the organization itself as well as the companies competing for the same talent within the labour market. The core strengths and value offering need to be studied to gain an understanding of features that should be emphasized, and understanding which factors differentiate the organization positively from its competitors as an employer. This gives an understanding of how the organization positions itself in the labour market. The target group, or the employees and top talent the organization wants to attract, also need to be studied in order to find out key features of an attracting employer for this group. Figure 6 depicts

the positioning of an EVP in relation to competitors and the target group. The EVP should be formulated from where the organization's own employer strengths and unique offering lies in relation to its target group's known preferences, while making a distinction to competitors' strengths within the labour market. (Troost, 2020.)



Figure 6. Employee Value Proposition (adapted from Troost, 2020)

Developing and executing an EVP can be divided into three sections which together help form and execute the statement. The sections are: (1) core positioning; defining the one aspect the organization wants to be known for as an employer, the compelling essence of the company's value proposition, and the one idea the employer brand will be built around, (2) pillars; defining three to five most important qualities the organization wants to be associated with as an employer, which define and connect the key benefits given to employees and shape the employer brands communication themes, and (3) tailored marketing content and activities; the actualization and communication of the EVP in different channels. (Mosley & Barrow, 2014, pp. 124-125.)

Development of an EVP requires commitment from the company's management level. Formulating an EVP should not be completely outsourced to an external brand agency, although their assistance can be used in wording the statement. Instead, the content of the EVP should be created with the help of the organization's human resource representatives together with the company's marketing and communications department. If possible, line management can also be involved in the process for more operational

level insight, making it easier for adopting the finished EVP to day-to-day operations. The EVP can be developed in brainstorming workshops where different perspectives and options can be reviewed, and a shortlist of possible features can be produced. This shortlist can then be perfected by HR and marketing and communications departments. (Mosley & Barrow, 2014, pp. 126-130.)

An EVP cannot be everything for everyone, and the company must decide its priorities of what type of talent it wants to attract and how to do so. Some employees strictly value the monetary rewards, while others want to feel appreciated and recognized for their achievements, some value career development opportunities, while others look for inspiring and flexible work environments. It is about finding the perfect balance between monetary and non-monetary value propositions when directed at the target audience. (Mosley & Barrow, 2014, pp. 7-9.) As Chambers et al. (1998, p. 52) remark, “Money alone cannot make a great Employee Value Proposition, but it can certainly break one.”

4.3 Developing

The third element of the talent management model depicted in Figure 4 is developing. Developing internal talent offers an organization room to grow from within and avoid having to result to outside hire each time a position opens up. Development programs and opportunities have the potential to engage employees, spark excitement, and maintain motivation, and make employees feel appreciated by enabling professional development, and by opening new career pathways. Organizations with a positive stance on professional growth and willingness to invest in development programs are often the ones to win top talent and retain top talent within the company. It is also an advantage worth mentioning in the company’s EVP, adding attraction towards the company within the labour markets. (Chambers et al., 1998, p. 56; Momtazian, 2021.)

As has become evident, the importance of talented personnel is heightened in the modern working era, where business environments change rapidly and new information

needs to be absorbed quickly, and adaptations in operations must be timely and effective. Being able to continuously develop organization's HR assets is vital for the competitiveness of the company. (Joki, 2018, p. 141.)

In the framework of talent management, developing can be seen as a broader concept compared to performance and knowledge management, as well as competence development activities. Although important for developing company's human resources, performance and knowledge management refer to measuring and developing specific competencies of employees regarding their current tasks for the tasks to be performed effectively and correctly. Managing performance and ensuring employees possess and uphold adequate capabilities are company-wide procedures carried out top-down, initiated by the employer and implemented according to the goals of corporate and business strategies. In this case, the learning and development occurs by the request or instruction of the employer, with the employer pointing the direction employees would need to grow professionally. (Hunt, 2014, pp. 249-250.)

However, in talent management strategy, developing encompasses all the processes and operations aiming in developing employees and leaders comprehensively within the organization. In this wider frame, development occurs when organization offers employees experiences and opportunities outside their customary position, enabling learning new skills and competencies, while gaining confidence in executing more demanding tasks. It is important the employee is motivated and has internal drive for growth, as most of the professional growth and development comes after changing behaviour and absorbing new experiences and drawing insight from them. In this sense, the organization can offer the structures and processes for development, but ultimately it depends on the employee's own activity and willingness to grow into a new higher level task. Therefore, talent is not only defined as the knowledge, know-how, and past experience stated in a resume, but it includes the intrinsic features and attitudes of an employee that define the potential for future development. (Hunt, 2014, pp. 249-250; Viitala, 2021.)

The company's strategic goals and visions define the type of talent and competence needed in the future. Therefore, developing also requires planning and forecasting, as

well as measuring and analysing the current status of employee competence. Examining the current type and level of knowledge and skills help companies understand the gaps between existing competencies and future requirements needed to fulfil organizational strategies. Inspecting the current talent assets in respect to future needs also gives clear indications on how to grow the talent pool. (Collings, 2021.)

Development activities aim to secure the performance of core functions of the company, ensure there is adequate amount of talent in correct places, enable and encourage inspiration and innovation to occur freely, enable change where it is needed, and improve quality and bring more value for customers. Developing is an ongoing process of evaluating current competencies, for example, with the help of competence inventories, planning of skills that are considered important enough to be developed and invested in, determining the type of talent needed to be recruited or developed from internal talent pools, and uncovering activities that are non-essential and not to be developed further, or that could be outsourced. Line managers have an important role in identifying and evaluating high-potential talent, connecting talent to company's strategic goals, and encouraging employee development as part of a progressive career path. (Joki, 2018, pp. 142-144; Viitala, 2021.)

4.3.1 Development strategies

Talent development consists of four elements: talent requirements, learning objectives, development methods, and development programs. Talent requirements denote the skills, efficacy, and knowledge needed in the future, whether resulting from changes in the business climate or from employee's potential and desire to take on new roles within the organization. As a concept, the need for development originates directly from talent requirements. Learning objectives denote the skills, abilities, and knowledge needed to be acquired for the employees to meet the talent requirements. Development methods are the procedures which will help employees achieve the learning objectives, and there are six main categories: (1) succession management, (2) career planning, (3) training resources, (4) social learning, (5) assessment measures, and (6) transition management. Development programs are the set of development

methods and activities companies choose to utilize to achieve wanted learning objectives and ultimately answer to talent requirements. (Hunt, 2014, pp. 252-254.)

The different development methods can be used concurrently in an organization according to the needs and circumstances across the different departments of the company. (1) Succession management method is important in ensuring critical positions are filled without interruptions and that capabilities match the requirements of the task. In this method, identifying high-performing talent is critical for these employees to be developed, engaged and retained, and for them to rise into their new roles. For identifying and evaluating talent, companies can use tools such as job rotation programs, leadership development programs, and high-potential identification, such as the Nine Box Talent Grid; which is used to evaluate and compartmentalize employees in groups based on their performance and potential by segmenting employees into developing, emerging, and top talent, or the Boston Consulting Group portfolio model; which evaluates employees in groups from A to D based on their level of talent. (Hunt, 2014, pp. 253-254.)

(2) Career planning method takes employees' own goals and aspirations into consideration in their professional development and aims to involve these employees in programs that help them achieve their goals. (3) Training resources includes providing employees with specific training or knowledge needed either in current role or in planned future role. (4) Social learning includes building relationships with peers or senior employees for guidance and information sharing. This is a consulting method that includes tutoring, mentoring, and professional guidance, and it has strong humane grasp, where the mentor has a significant effect on the person being mentored. (5) Assessment measures provide employees self-awareness of their strengths and development objectives. Assessments can include annual or bi-annual discussions, evaluations by closest superior, or 360-evaluations. (Hunt, 2014, pp. 253-254.)

(6) Transition management, much like succession management, strives to adapt employees efficiently into new roles by providing sufficient information and networks. This method is concerned with both, technical training and a relationship forming aspects of development. (Hunt, 2014, pp. 253-254; Viitala, 2021.)

These six development methods take advantage of different techniques to develop employee competencies. The most common techniques used are assigning employees to new roles which offer new learning experiences, creating relationships where employees are learning from each other, and providing adequate resources and supportive environment for learning. (Hunt, 2014, p. 252.) Chambers et al. (1998, p. 55) also suggest using proactive job assigning as a prominent tool for talent development. This is done by identifying high-performing or high-potential employees early in their career and placing them in positions with higher responsibilities before they expect it. This way a higher level job can operate as an effective development lever for motivated and skilled employees.

4.3.2 Career pathways

Talent development includes career planning and designing career pathways. Internal employee career development enables in-house talent to become aware of their future opportunities within the organization and motivates employees to work towards new professional challenges. Career pathways can be discussed, developed, and supported by job rotation, substitution practices, and annual discussions. Career pathways create more room for flexibility within the organization, as employees can reflect on their own strengths and subjects of interest, which can change throughout the span of working careers. Furthermore, creating ascending career pathways may ensure top talent retention within the organization, rather than talented employees looking for new opportunities outside the company. (Viitala, 2021.)

Career planning enables internal mobility within the organization both vertically and laterally, as not all employees aim at top level positions, yet wish to utilize their own strengths in their jobs. Finding a correct spot for each employee affects the organizational culture and employer brand positively. Top talent employees benefit from career planning as they can see development opportunities and career advancements as a reward for work well done, thus it is also important to communicate future career possibilities for high-potential employees. Creating career pathways is closely related to the topic of talent retention, as well as transitioning, both subjects which will be discussed in detail in the coming chapters. (Viitala, 2021.)

4.4 Retaining

For a company to be sustainably successful and gain strategic benefit from top talent performance, it must succeed in the next key element of the talent management model presented in Figure 4; retaining talent within the company. In this chapter, the importance and benefits of talent retention are discussed, the implications of employee turnover are explained, and strategies for efficient talent retention are presented.

Employee retention refers to a set of HR practices aiming to keep current employees employed within the company. Regarding talent management strategy, the focus is especially on retaining top talent and high-potential employees, employees in key positions, and employees working in positions where replacements are difficult to find. Talent retention is a multifaceted function, and it is strongly impacted by subjects discussed earlier in this study: talent planning by situating the right talent in fitting positions; talent attraction by creating a truthful and engaging employer brand and EVP, and; developing existing talent and offering opportunities for growth and future career advancements. Retaining the right talent is a key factor in sustaining high level of operations and achieving growth. (Bhattacharyya, 2015, pp. 119-120.)

Talent retention is pivotal in situations where a key position requires specific knowledge, networks, or skills, and replacing an employee could thus be difficult. It is also widely researched that replacing an existing employee costs up to one to two times more than retaining an existing employee, on senior level management the cost is even higher. (Hunt, 2008, p. 93.) New talent requires time to learn and adapt to a task and adjust to the organizational culture, and even if the acquisition process indicates a good match for a certain position, there are no guarantees a new employee will fit the organization. Talent retention is equally important from the social aspect, as individual employees may have a major effect on organizational culture. It should also be noted that unsuccessful talent retention programs could benefit competitors operating in the same field, as employees can be tempted to switch employers. (Bhattacharyya, 2015, pp. 120-121.)

It is projected that due to demographic shifts in population (aging, declining birth rates), social evolution and prevailing labour trends (e.g., valuing personal life over

building a career), and inadequate educational programs, labour markets are facing a shortage of talent in coming years. Especially finding motivated and capable employees with specific skillsets can become difficult in the future, at the same time as large age groups are transitioning into retirement. As talent is becoming scarce, companies that are now investing in top talent attraction, talent development, and retention activities can achieve competitive advantage over their competition. (Allen, 2008, pp. 4-5.)

4.4.1 Employee turnover

Turnover of personnel can be measured by comparing the number of people that have left the company to the average of total personnel in a certain period of time, e.g., monthly, bi-annually, or annually. This is called employee turnover rate. Employee turnover rate is an effective way to monitor how many employees leave the company in general, although it does not give any indications to why and from which positions employees are leaving. (Allen, 2008, p. 2.)

Companies will always have a certain level of employee turnover; it is not possible or even necessary to retain all employees until retirement. On the contrary, moderate turnover is welcomed, as it can bring new knowledge and refresh thinking to a degree. The acceptable level of turnover is dependent on the size and field of the company; for an expert consulting company, even a small turnover percentage could disrupt operations irreparably. In addition, turnover within different functions of a company can be prioritized according to their importance for overall operations. Entry level, routine tasks can be filled more easily than specialist or management level tasks, therefore they pose a bigger operational risk if left vacant. (Viitala, 2021.) However, the negative implications of a high employee turnover rate, especially in the top level of performers, is alarming and requires immediate attention and investigation. Ultimately, high employee turnover can reflect on employer brand, making new talent hesitant to join the organization, as current talent is reluctant to stay. (Bhattacharyya, 2015, p. 121.)

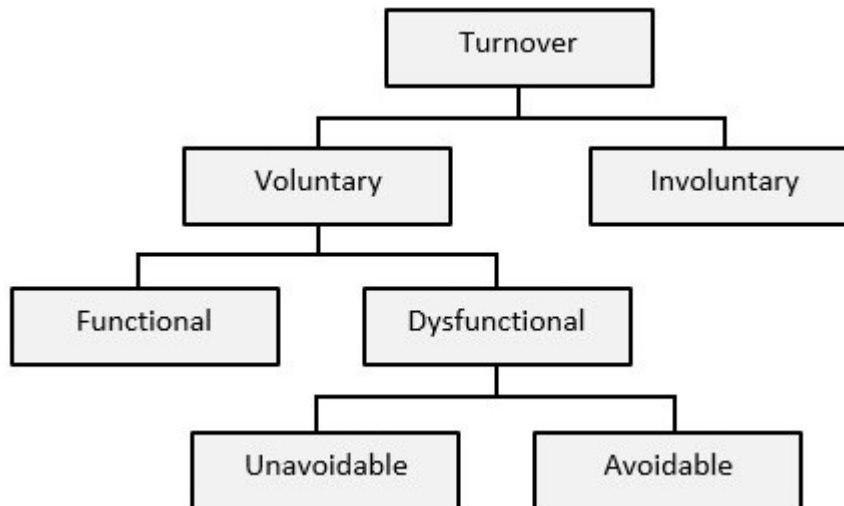


Figure 7. Employee turnover classification model (adapted from Allen, 2008, p. 2)

As Figure 7 shows, employee turnover can be divided into two main categories: voluntary and involuntary turnover, seen from the employee's perspective. Involuntary turnover occurs when a company lets an employee go due to challenging economic circumstances or poor performance or misconduct. Voluntary turnover stems from the employee as they decide to leave the company for various set of reasons, e.g., found a more suitable job elsewhere, relocation to new area with spouse, going back to school, or quitting due to dissatisfaction towards the organization. (Allen, 2008, pp. 2-3.)

The voluntary turnover is divided into functional and dysfunctional turnover. Functional voluntary turnover is not harmful for the organization, it occurs when underachievers exit the company, or it takes place on levels where positions are easily and cost-effectively refilled. Dysfunctional voluntary turnover on the contrary is harmful for the company, and it is used to describe situations where top talents, high-potential performers, people with specific requirement positions, and minority group representatives decide to leave the company. In these cases, the organization is left vulnerable, the diversity of personnel suffers, and filling the positions can be difficult and costly. (Allen, 2008, pp. 2-3.)

As the reasons for voluntary turnover are manifold, it is important to understand exactly why employees are leaving the company, to what extent this turnover is dysfunctional for the company, and more importantly, if some of this dysfunctional turnover is avoidable. Unavoidable reasons are related to employee's personal situations and

circumstances, and the company can rarely affect these reasons of departure. Avoidable reasons are those in which the company can have influence, for example improving leadership operations, organization's atmosphere, or working conditions. (Allen, 2008, pp. 2-3.)

Finding out the scope of employee turnover, and the root causes of why talented employees are leaving the company is crucial in solving the problems and retaining talent in the future. In addition to examining how many people are leaving, it is also necessary to analyse who is leaving and from where, is the turnover dysfunctional and avoidable, and what costs or other repercussions this turnover might have for the company. Information of these factors can be collected using different strategies. These include conducting exit interviews and post-exit surveys to find out specific reasons for leaving; current-employee focus groups offer information on why people would stay with the organization, or if they are considering leaving the company for some reason; linkage research utilizes anonymous surveys to measure attitudes and opinions of current employees; predictive turnover studies, where previous survey responses are compared to later statistics of which employees have left and who have stayed and why; and in-depth qualitative studies to uncover deeper reasoning behind employee turnover. Utilizing information collected through one or more of these strategies helps the company define specific issues of why people are leaving and formulate retention strategies and target measures to improve organizational performance concerning these areas. (Allen, 2008, pp. 3, 11-17.)

4.4.2 Employee retention strategies

While identifying employee turnover and reasons why people leave is highly important, talent retention practices and strategies should not only be reactive to these issues, but proactive in nature. These practices should ensure the well-being and positive development of employees anticipatorily, and in this way, they contribute to a high-functioning organizational culture, and operate as leverage for the employer brand. The retention strategies chosen should be suitable for the organization and its

field, they should take into consideration the complete employee journey from recruitment and onboarding to ‘offboarding’, which denotes the exit procedures as an employee is leaving the company for any reason. (Crail, 2022.)

Allen (2008, pp. 21-26) states there are seven key practices a company should especially focus on in its talent retention activities. These include (1) a thorough recruitment process, where a realistic and truthful description of the task and of the organization is given, as well as information of performance expectations and performance management processes. Giving out correct information reduces experiences of disappointment and manages expectations of new employees, thus enhancing likelihood for long-term employment. (2) Utilizing the selection process as a retention activity. Selecting employees who are a good fit, not only for the job, but for the organizational culture as well, is important. Especially for top level positions, carrying out thorough selection processes and collecting adequate amount of information about the applicants working history and attitudes towards pivotal work and organization related matters is important, and can result in a long-term employment relationship. Selecting the right people is key in sustainable talent management operations. (Allen, 2008, pp. 21-22.)

(3) The third key practice in talent retention is socialization. To avoid turnover among new employees, socializing them with existing staff and embedding them efficiently into the organization is shown to be effective. Socializing can occur through shared learning experiences, creating formal and informal socializing situations, using tutor and mentor programs, and giving positive feedback throughout the adaptation period. Creating opportunities for teamwork and collaborations between colleagues in different departments also adds employee engagement and promotes feelings of togetherness. This applies to current employees as well and can reinforce retention. (Allen, 2008, pp. 21-22.)

(4) The fourth element, training and development, plays an important part in retaining employees, as well as in overall talent management operations, as has been discussed in this study. (5) Fifth key element is compensation and rewards. It is the most evident sign of appreciation and the easiest form of comparison between employers. It also

plays an important role in attracting talent, and competitive compensation is an important part of the company's EVP. The rewards given can be of monetary and non-monetary in nature. Non-monetary rewards include added benefits, such as physical and mental wellness offerings, supporting work flexibility, and encouraging work-life balance. In addition, compensation and rewards can be linked directly to employee retention; the longer an employee stays with the organization the more added rewards or benefits can be achieved. (Allen, 2008, pp. 23-24.)

Remuneration strategies should first and foremost be fair and equal for them to operate as means of talent retention. Rewarding strategies seen as unfair, excessively secretive, or inconsistent can have the opposite effect and cause distrust and result in employee turnover. Giving employees recognition and rewards for work well done also adds to their experience of being appreciated and helps create stronger commitment. (Crail, 2022.)

(6) Sixth retention practice is related to supervision. As research suggests, high-functioning and fair management operations are extremely important in talent retention, as employees with poor relationships and exchanges with their immediate managers are ones to easily leave the company. Developing management operations and individual supervisors is an investment towards talent retention. As Allen (2008, p. 25) points out, a talented employee promoted to a supervisor position based on their operational skills and know-how may not have the required leadership or communication skills needed. Thus, adequate and ongoing training and coaching is needed on every level of management. Holding supervisors accountable for talent retention is also an effective strategy to encourage them to pay attention in their leadership abilities and the engagement and well-being of their subordinates. (Allen, 2008, pp. 25-26.)

Lastly, (7) the seventh talent retention practice is employee engagement. Employees who feel their contributions are appreciated, who experience meaningfulness and support in their work, who form an emotional connection towards the organization or its personnel, are engaged and satisfied, and research shows such employees are five times less likely to leave the company. (Allen, 2008, pp. 25-26.) Employee commitment is a psychological relationship formed with the organization. When forming an emotional connection to an organization, the commitment is stronger, and it is more

difficult for an employee to leave. High-functioning organizational culture, trust, and a participatory atmosphere are key factors in creating high-level commitment. (Viitala, 2021.)

4.5 Transitioning

The final element in the talent management model presented in Figure 4 is transitioning. In the context of talent management, transitioning includes internal mobility and career pathways, where employees develop their skills and knowledge, and move on to more challenging tasks vertically within the company by means of promotions, or employees move horizontally to different positions through role changes, redeployments, or transfers depending on their skills, personal interests, and aspirations. Transitioning also includes succession management activities and exit processes for retiring employees and employees who choose to leave the company for personal reasons, for a new job, or company related issues such as lay-offs, or dismissals due to misconduct or contract violations. (Momtazian, 2021; Viitala, 2021.) Regarding transitioning, the next two chapters focus on succession management and exit processes, as they have strategic significance for talent management operations.

4.5.1 Succession management

As has been established, employee turnover is inevitable to a certain degree as people transition to retirement or step away from the company for other reasons. Therefore, it is important for an organization to be prepared for this beforehand through succession management. Succession management is not only replacement planning, but a more holistic practice interrelated with other elements of talent management discussed in this study, such as identification of key positions and talent, building sufficient talent pools for future needs, developing employees for new roles, and retaining top talent within the company. Succession management becomes more prominent on top managerial levels and in key positions of the company. Regarding these positions, succession management can be seen as a systematic, long-term approach in ensuring the high performance of the organization by identifying and providing current, high-potential employees' development opportunities for new positions. Succession management

considers the resources and abilities of the existing talent pool while forecasting future needs of the company with respect to its strategies. (Berke, 2005, pp. 2-3.)

Prospective successors from internal talent pool have the advantage of organizational knowledge and an existing network within the company, but what they might lack is new perspective and a higher ability to create change within the organization. If change is necessary, an outside successor is a viable choice. Internal successors are less of a risk than outside hires, as there is evidence and history of work performances, behaviour in crisis situations, and knowledge of overall fit for the organizational culture. Familiar inside hires rarely cause disruptions or major changes to existing organizational culture or cause unnecessary uncertainty among employees. (Berke, 2005, pp. 6-7.)

Without sufficient talent and leadership development programs within the company, successors for leadership positions will most likely be sourced from outside, even if the company's internal talent pool would have adequate potential. The lengthy and costly process of sourcing external talent, with many uncertainties of the actual performance and fit of the outside hire, could be avoided by focusing on developing internal talents, and building a systematic succession management operation. Succession management requires the commitment from all management levels, as building intentional talent pipelines from within the internal talent pool benefits the company in the long run. (Charan, 2008, pp. 9-10.)

Having high-performing prospective candidates ready for top positions shortens recruitment times and saves company resources, while retaining top talent within the company. Succession management and talent development for coming roles should be a consistent, disciplined operation, to which leaders at all levels are committed to performing. (Charan, 2008, pp. 9-10.) Ensuring the company's pivotal positions are filled at all times with skilled workforce in all economic circumstances is considered active risk management (Collings, 2012). In addition, an effective successor plan ensures pivotal knowledge and task related experience transferal to successors, thus important information is retained within the company (Muthusamy, 2018, p. 30).

When considering and choosing an appropriate approach to succession management in an organization, the needs and objectives for the succession process should be taken into consideration. It is beneficial to begin with a reviewing process of the organization's current situation regarding successors, and what issues or risks the company could be facing currently or in the near future due to lack of ready successors for key positions of the company. Next, the ideal situation of succession management should be laid out; how the succession process should be governed, what benefits and results should be gained from these practices, how will they be measured, and what are the roles and responsibilities of different actors in the process. Finally, a succession management process can be formulated on a high level; what actions should be taken to achieve the desired ideal situation, what is the timeframe for these activities, and which operators these activities concern in the organization. (Muthusamy, 2018, pp. 25-28, 61-63.) Succession management process is closely related to identifying potential talent using different assessment tools, such as employee performance reviews and competence assessments, which offer insight on which employees possess potential and could be developed further through various development strategies (Muthusamy, 2018, pp. 9-11).

Employees can be divided into different categories based on their readiness and development potential as potential successors. These categories are (1) emergency successor; an employee, who can quickly fill in for a position for short period of time, but is not yet qualified to take on the role full time, (2) a ready-now successor; an employee, who has the necessary skills and knowledge to perform and be successful in the role immediately, (3) ready in one to two years successor; someone who is going to be highly successful in a new role in the near future, if the employee's individual development plans are implemented correctly and they are given the experiences and opportunities for growth. (Muthusamy, 2018, pp. 9-11.)

(4) Ready in two to three years successor is an employee, who is potentially able to fill a new role if the business environment and processes remain mostly unchanged. Not the first to be considered as the successor but worth to be kept in the succession plan. (5) No successors available denotes that these roles have no potential successors within the company, and talent should be either outsourced or developed within the organization. Lastly, a category of (6) no longer necessary denotes the task will not require

a successor in the future, as the tasks will be divided for other positions, or the business environment has changed so that the task is no longer needed. (Muthusamy, 2018, pp. 9-11.)

4.5.2 Employee exit process

In successful talent management strategy, the entire employee life cycle and employee experience is taken into account. Often in talent management, the activities of attracting and acquiring top talent, as well as developing and retaining high-performing employees within the company are emphasized. The last phase in the employee life cycle, separation, is rarely noted as a strategic talent management tool, although it has great potential for generating organizational growth, development, improvements, and even employee retention by providing important insight of internal processes and performances. (Spain & Groysberg, 2016.)

The importance of executing a thorough exit process on all transitioning employees, whether it is retirees, involuntarily, or voluntarily departing employees, is often overlooked, especially as an employee changing organizations can be seen as a defeat or a failure on the company's part, to which nothing can be done about. Conversely, a well-handled exit process has the potential to give the departing employee a positive last impression of the company and ensure they spread a positive word-of-mouth after departure, which in return reaffirms the desired employer brand. Spain & Groysberg (2016) refer to these 'happy leavers' as corporate ambassadors for many years to come. A thoughtful and attentive exit process shows the departing employee that the company cares about them and values their opinions and experiences, thus making it easier and more tempting to possibly return to the company in the future or recommend the company for other potential applicants. (Spain & Groysberg, 2016; Verlinden, 2022.)

In addition to standard HR procedures as an employee is departing, the exit process should include an exit interview. An exit interview is used to collect data and feedback on reasons why the employee decided to leave the company, where the company succeeded in and where it failed, what the employee would change in processes and practices, and how did they experience the atmosphere, organizational culture, and the

leadership activities within the company. When used as a strategic tool, it is beneficial also to collect information of where the employee is transferring to and why, and what are their views on the organization's other functions unrelated to their own job description. This way the interview can spark new innovative ideas and views, benchmark on competition on where they excel, as well as uncover existing challenges and opportunities currently unknown for management. (Allen, 2008, pp. 16-17.)

The interview can be held as a structured, semi-structured, or unstructured face-to-face interview, a questionnaire, or a survey before the departing employee has left the company. The interview is normally conducted by the employee's second- or third-in-line manager. It is not beneficial for the interview to be conducted by the employees' direct supervisor, as it tends to make the interviewee reluctant to speak their mind and soften possible negative experiences while highlighting the positive aspects. Especially in high turnover departments, it is important to gain truthful and realistic answers, even if they are not all positive. (Allen, 2008, pp. 16-17; Spain & Groyberg, 2016.)

Merely conducting an exit interview does not benefit the company. The data collected from the interviews need to be analysed, the results should be shared with senior decision makers, and follow-up actions should be made accordingly. Spain & Groyberg (2016) suggest that the effectiveness of exit interview practices should be measured by the positive changes and actions they have generated within the organization. If the information is not utilized, the process does not hold any strategic value. When utilized as a strategic tool, the issues and matters arising from exit conversations should not only be limited to fixing existing problems but act as a basis for ongoing conversations with current employees as an effective retention measure. (Spain & Groyberg, 2016.) In addition to an exit interview held prior to an employee departing, a post-exit survey is a great way to keep in touch with company alumni and possibly learn more about the employee experience, after some time has passed and the experience can be viewed more objectively (Allen, 2008, p. 17).

As was discussed regarding talent pool activities, keeping in touch with potential employees enhances probabilities of hiring from these talent pools. Former employees can be viewed in the same manner; the more positive the offboarding process is, the more likely a former employee could consider returning to the company. Keeping in

touch with former employees through different networks, for example congratulating them on new achievements, sending newsletters about the company's advancements, or creating a specific company alumni network are great ways of keeping the organization in the minds of former employees. (Maurer, 2016.)

An exit interview is an honest, respectful, and caring conversation, where the company's representative focuses on listening to the views and experiences of the employee, while guiding the conversation to cover issues that will benefit the company in the future. Expressing gratitude for their work contributions, and willingness to stay in touch with the departing employee enforces a positive last impression. (Spain & Groysberg, 2016.)

5 RESEARCH METHODOLOGY

In this chapter, the research methodology of the study is explained. This study aims to generate a managerial plan for talent management as part of strategic human resource management, based on a comprehensive literature review. For the process of selecting the most suitable and valid manner for conducting a research, Saunders et al. (2019, p. 130) present a model of research philosophies, methods, and techniques, which are depicted in the form of a ‘research onion’ in Figure 8.

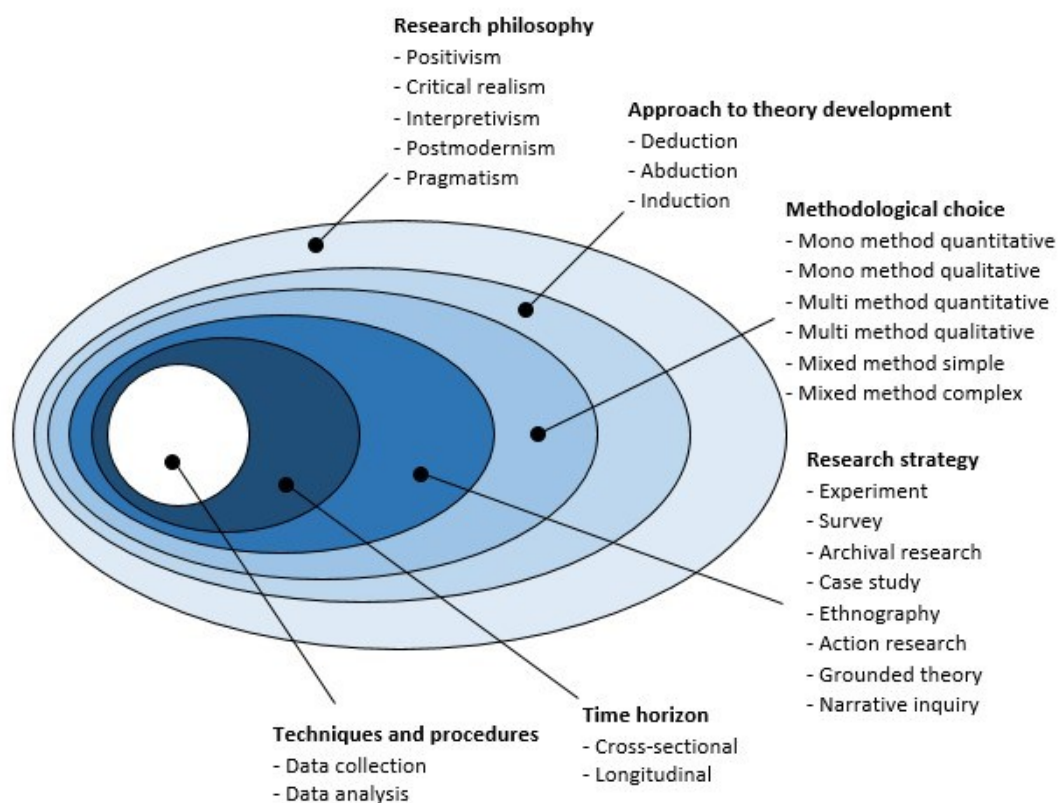


Figure 8. The research onion (adapted from Saunders et al., 2019, p. 130)

The outer layer represents the research philosophy concerning the set of assumptions the researcher possesses related to ontological (nature of reality and how the research subject is viewed), epistemological (what is seen as valid, acceptable, and legitimate knowledge), and axiological (the values and ethics) views about the research problem, and of developing new knowledge, and the techniques to be used in the study. Of the five philosophies presented in Figure 8, this research is pragmatist, as it poses a problem to which a practical solution is to be formulated by considering theories, ideas,

research findings, and concepts. Furthermore, it aims to produce a solution with significance and intent to improve future practices. In pragmatism, the research problem and question have an important role when choosing the research design and strategy, it is affected by the researcher's values and self-reflection, as well as their stance in objectivism and subjectivism regarding the research process. (Saunders et al., 2019, pp. 130, 133-134, 151.)

The second layer in the research onion describes the approach to research development, whether it be deductive (from theory to data), inductive (from data to theory), or abductive (combining both) in nature. This study takes on a deductive approach, as existing theoretical literature on the topic is abundant and the study predominantly moves from theory to data, deducing a proposition as a result. (Saunders et al., 2019, pp. 153-154, 157.)

The next layers in Figure 8 concern the methodological choice, research strategy, and time horizon of the study. This study is a cross-sectional, single case study, using a constructive research approach. The methodological choice is mixed method study, using both qualitative and quantitative data collection techniques. All data is analysed qualitatively to offer a solution to the research questions. A cross-sectional case study is an appropriate choice, as this study will focus on a single case and the objective is to acquire extensive and broad understanding of this particular phenomenon in current time. The topic studied is contemporary, rather than a historical phenomenon. (Saunders et al., 2019, pp. 179, 181, 198, 212; Yin, 2014, p. 2.)

5.1 Constructive research

A constructive research approach is applied in this thesis. Constructive research aims to produce a solution to an existing problem by developing a new construction, in this case a new managerial plan for talent management operations. A constructive research method closely ties the problem and its solution to theoretical knowledge, and it also aims to demonstrate the actual functionality of the solution in practice. The constructive research can be described in six phases: (1) finding a practically relevant problem to be researched, (2) acquiring deep knowledge and understanding of the topic, (3)

based on the theoretical knowledge, constructing a solution to the research problem, (4) demonstrating the functionality of the solution and the validity of the construction, (5) demonstrating the theoretical connections and the research contributions of the solution, and (6) examining the applicability of the solution. In constructivism, knowledge of the subject is explicitly linked to existing theoretical knowledge as a solution to a problem is formed during the research process, therefore constructive research method is suitable for this study. (Kasanen et al., 1993, p. 246.)

The structure of this study largely fits the description of a constructive research approach, excluding the phases of demonstrating the functionality of the research solution in practice, as testing is not possible in this case during the timeline of this study, and excluding the contribution of new theoretical knowledge, as it is not the main goal of this study. The central elements of constructive research are depicted in Figure 9.

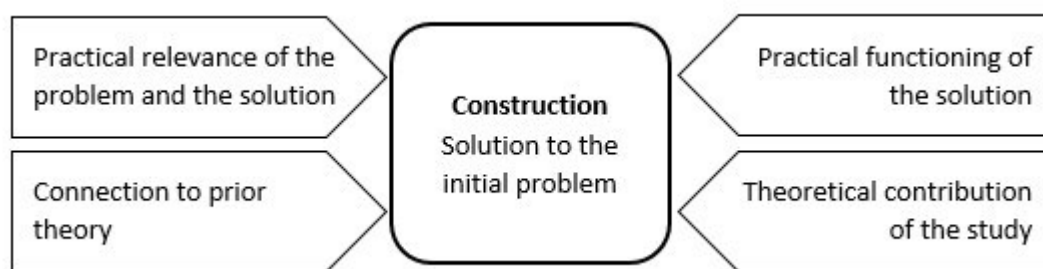


Figure 9. The central elements of a constructive research approach (adapted from Lukka, 2003, p. 85)

According to Lukka (2003, pp. 84-85) constructive research is experimental by nature, as it aspires to develop and implement a new, innovative construction to a real-world problem based on existing information. Therefore, a close involvement, commitment, and co-operation between the researcher and practitioners is needed to enable experimental learning and succeeding in the development process. The impact and empirical intervention of the researcher is strong in constructive research and considered part of the method itself. Constructive research approach benefits the target organization by bringing profound theoretical knowledge behind a practical solution, compared to using consulting companies' services in creating managerial and organizational plans, which often lack linkage to previous studies or theoretical knowledge. (Lukka, 2003, p. 96.)

5.2 Data collection methods

The literary review of this study strongly suggests the theoretical base for talent management strategy consists of five overall themes: planning, attracting, developing, retaining, and transitioning (Momtazian, 2021). In order to create a new construct, i.e., a managerial plan based on this theoretical foundation and incorporating the different themes of talent management, data collection method chosen for this study is semi-structured, thematic interviews. In addition to collecting primary data through interviews, secondary data is collected utilizing document analysis as a second data collection method.

5.2.1 Interview

As data collection method, an interview is a purposeful conversation, where an interviewer is actively listening to the interviewee and acquiring valid and reliable information on subjects regarding the research questions. A semi-structured interview is a non-standardized, qualitative research method. Especially in a deductive research approach, a semi-structured interview begins with composing a list of themes based on existing theory, to which a researcher can formulate a frame of questions to guide the progression of the interview. Data collected through the interview process is primary data, as new information is generated during the research process to be later analysed. (Saunders et al., 2019, pp. 434-435, 437-438.)

Thematic interviews are not as formal as form-filling interviews are but have more structure than an open interview. A thematic interview does not follow a strict questioning series, but rather allows the researcher to discuss the subject with the interviewee according to predefined themes. The themes discussed within the interviews are same to each participant, even though the actual course of the interview and even the questions might differ from each other. Conducting thematic interviews requires interviewer's thorough familiarization with the subject beforehand, as well as deep knowledge of the position of the interviewee, in order for the thematic interview to fit the purpose of the research. The themes are carefully chosen according to the knowledge acquired of the subject. (Hirsjärvi & Hurme, 2000, pp. 47-48.)

The in-depth theoretical knowledge acquired and discussed in the theoretical part will affect the empirical research process, as data collection themes will be formulated and affected by said knowledge. As mentioned, in a constructive research approach the empirical intervention and impact of the researcher is strong and considered a part of the method (Lukka, 2003, p. 85), thus the thematic interviews of this study may include features of workshopping, back-and-forth ideation, or brainstorming between the researcher and the interviewees, while collecting data for IKH's talent management plan.

During the research process, thematic group interview sessions were held on three separate occasions, where each of the five talent management themes were discussed individually. Planning was discussed in the first session, attracting and developing were discussed separately in the second session, and retaining and transitioning were discussed in the third and final interview session. In each interview, the interviewer, IKH's HR Manager, HR Specialist, and HR Assistant were present. In the interview regarding attracting, the Marketing Manager of digital operations also participated. The reason for conducting group interviews instead of individual interviews, was based on the researcher's knowledge of the company and of the interviewees' positions in the company. The researcher had a strong assumption that this style of data collection would have the ability to produce most amount of useful data, which would help in constructing a managerial plan for the case company.

Each interview began by the interviewer presenting the topic and by giving background information acquired in the theoretical review. After familiarizing the participants with the subjects, the thematic interviews were conducted according to an interview form, which had a body of questions based on predefined themes. Interviewing forms can be found in Appendices one through five. During the interviews, the questioning forms operated as a base for the conversations but were not limiting the discussions. The conversations at times took the form of participatory ideation and brainstorming of each subject, and thus deviated from the original set of questions. The interviewer encouraged this free discussion especially in situations where it supported acquiring information of the subject for the managerial plan. The interviewer wrote detailed notes during each session, additional clarifications were later made via email.

5.2.2 Document analysis

As data collection method for secondary data, this study utilizes document analysis of a recent personnel study conducted in the case company in December of 2022. The study was conducted by a third, unbiased party, an organization called Great Place to Work Institute Inc. The Great Place to Work (GPTW) research was conducted to the entire personnel of IKH's organization, including 12 IKH super stores around Finland. The GPTW study was conducted by an experienced and respected research organization, the response rate of the study was 82 %, and the subject of the research is directly related with the themes regarding talent management operations, especially concerning current employer brand, as the research strives to answer the question: 'Is IKH a great place to work?'. This indicates that the GPTW study is a valid and appropriate data collection method to be utilized as secondary data for this research. Data collected through document analysis in this case is quantitative data, as the results of the personnel study are presented in a numeric form. The study offers structured data that is in this case recent, readily accessible, and easy to process. (Saunders et al., 2019, pp. 341, 360-361.)

During the research process, the GPTW research's results were discussed in the interview sessions especially regarding the theme of attracting, and precise, recent, numeric data was obtained to support the creation of IKH's talent management strategy. In addition to primary data collected through interviews, the secondary data collected through document analysis offered factual information of the personnel's current experience of the organization and its operation.

5.3 Data analysis methods

Primary data acquired from thematic interviews is analysed using a qualitative method. A qualitative research method aims to understand and interpret a phenomenon using words, rather than statistical information or numbers, in data collection and in analysing the data. The field in which qualitative research can be used is wide and varying, as it strives to answer the question of what a phenomenon is about and to explain it further, the research process being flexible and the findings guiding the progress of the

research. The results of the research are affected by the researcher as they require the researcher's interpretation. (Hammersley, 2013, pp. 1-3, 9.)

The results of the interviews conducted during this study are analysed using thematic analysis, as the results of the interviews can be categorized and interpreted through themes defined in the theoretical portion of the study. Qualitative, thematic analysis is a flexible, yet systematic process, where collected data is analysed according to themes which are linked to existing theory. In a deductive approach, the research objectives define the emphasis of data analysis, as not all collected data is required to be focused on as profoundly, as on data which is seen pivotal for answering the research questions. (Saunders et al., 2019, pp. 651-652.)

Secondary, quantitative data acquired from document analysis is analysed using qualitative analysis method. Although the information from the Great Place to Work (GPTW) research is available in a numeric form, the information is qualitisied, i.e., turned into a text format and interpreted using words. Describing the relations and causal connections between the GPTW research and IKH's talent management operations qualitatively rather than quantitatively benefits the study and helps explain the phenomenon, i.e., the research problem further. (Saunders et al., 2019, pp. 183-184.)

After the data collection process, the material, denoting the notes and information acquired in each interview session, as well as information from the document analysis, was grouped together according to the different themes discussed in the interviews and thereafter written out. Reflecting on the theoretical framework of this study and by utilizing the results from the interviews and document analysis, a research report of IKH's talent management strategy was written.

Data collected from the interviews as well as from the document analysis were analysed thematically according to the themes defined in the theoretical part of this study. As the themes discussed in this study are wide and extensive, and for some parts, they intertwine and affect each other, the researcher saw it more practical to discuss the themes holistically, rather than going through individual questions from the questioning forms or analysing and reporting individual answers of interviewees. The main goal of the research data analysis was to answer the research objectives; to construct a

practical, functional managerial plan according to information acquired during the interviews in such manner that would benefit the company in the future, therefore the researcher views that the consensus reached during the research interviews is more beneficial for creating the talent management strategy than reporting individual answers.

Once the research results were analysed and the research report written and presented, the interviewing forms which include the answers of interviewees, as well as additional notes, emails, documents, and other material related to the interviewing process are going to be destroyed. The writer will not preserve any notes or documents acquired during the interviewing process. The research results are discussed in the following chapters.

6 RESEARCH RESULTS

In this chapter, the research results are presented. The talent management strategy constructed in this research is based on a previously presented model of talent management, depicted again in Figure 10. As was mentioned in the previous chapter, the research results were analysed and will be discussed in the following chapters by themes and reported according to a consensus reached during the research interviews.

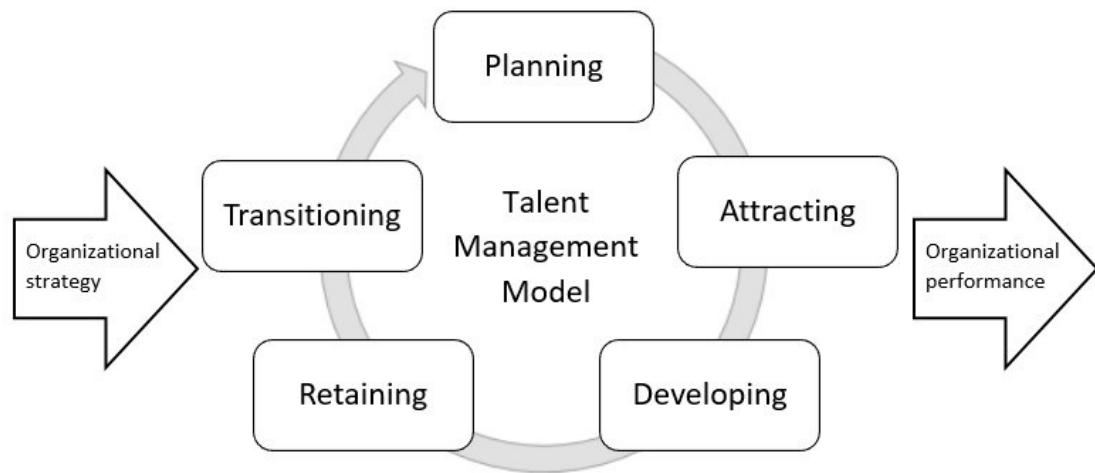


Figure 10. Talent management model (adapted from Momtazian, 2021)

Next, each of the talent management themes seen in Figure 10 are discussed separately, and according to information acquired during the interviews, a managerial plan is introduced. The results of the interviews have been analysed using methods previously described in chapter 5.3. Furthermore, a summary of IKH's talent management strategy is visualized in chapter 7.1 in the form of a table.

6.1 Planning

The goal of planning is to put systematic structures in place to ensure the availability of high-performing talent in key positions at all times, proactively identify and aspire to develop talent, and to utilize personnel's potential to its maximum capacity (Trost, 2013; Momtazian, 2021). In order to create a systematic structure for planning IKH's talent management operations for the future, the topic of planning was further divided

into smaller themes of 'key positions', 'creating talent pools' both internal and external, and 'identifying talent'. The interviewing form for planning can be found in Appendix 1.

6.1.1 Identifying key positions

According to Dr. Collings' (2012) model, and reflecting on the company's purpose and future goals, key positions of IKH were first discussed and identified. It was found, that regarding high vulnerability, upper-level management positions can be named as key positions, as these roles involve substantial amount of strategic knowledge and decision-making authority, as well as high numbers of subordinates. The key upper-level managerial positions include tasks such as CEO, CFO, Development Manager, and IT Manager. Looking further at departments of finances and IT, these areas also include lower-level positions which can be classified as key positions due to their requirements of specific knowledge and expertise. High operational and strategic importance can also be found in the management level of purchase and logistical services.

It was discussed that IKH does not necessarily have strategically important positions which are rare in the market at the moment, however it was noted that the local services performed in Kauhajoki, such as dismantling tractors, motor whetting, and metal workshop require a specific craft that might be scarce in the future. Vulnerable key positions which have an employee retiring in the coming five years were identified as the CFO, the HR Manager, and the Equipment and Property Manager. In addition to upper management level positions, other key positions that have a high number of subordinates, and direct links and reporting relationships between different departments were identified as Purchase Managers, Warehouse Manager and Aftersales Manager.

IKH as a company is reliant on its close relationships with its dealer network, export network, and its suppliers. Positions, where an employee has wide internal or external networks were identified as Regional, Product, and Purchase Managers, IKH's own Super store Managers and sales personnel with close relationships with key clients. In addition, Customer Service Manager, personnel with close relationships with long-

term clients, and Export Managers who have built relationships and trust with partners in other countries over a long period of time, were named.

Reflecting on the future, business-to-business sector is seen as becoming increasingly important for IKH and is a clear strategic goal for new business opportunities and growth. Therefore, salespeople in this sector are going to be key factors in creating this growth, and specific focus and value should be given to these positions. Other important development and growth opportunities in the future will come from IKH's digital services and channels, in which key positions were identified to the Development Manager of digital and IT operations, as well as the Marketing Manager of digital development and web shop. The development of export operations was seen as an important source for growth as well, thus placing Regional Managers and personnel responsible for marketing operations of export at key positions. Developing the operations of IKH's finance department was also seen as an important area, thus a newly created position of an Application Specialist was marked as a key position.

In conclusion, identifying strategically significant key positions within the organization was seen important, and is in fact part of Grafton Group's risk management operations, where it is vital to identify key positions within personnel and ensure uninterrupted and continuing functioning of operations by securing these positions. This study will directly contribute to this work. All the key positions identified during the discussion are marked as vital for IKH's current and future operations, and strategies for developing, retaining, and planning successors or replacements regarding especially these positions are put in place. Efforts in developing and retaining employees in these key positions will be discussed later in this study.

6.1.2 Creating talent pools

The next subject is creating talent pools, which will help provide qualified, high-performing, and top talent employees to previously named key positions when needed. In creating talent pools, it is essential to be proactive, and plan and compose high-quality talent pools based on future forecasts and needs. (Collings, 2012.)

At the moment, IKH has one internal talent pool concerning its current personnel, system provided by Grafton Group. The internal talent pool is currently utilized to some extent when searching for suitable successors to positions within the company. However, it was pointed out that the internal talent pool is not currently utilized to its maximum capacity, and there would be wider possibilities and opportunities to utilize it in the future concerning recruitments and career developments. In order to achieve wider usability of this talent pool, it was noted that personnel needs to be encouraged and activated to register and inform their talents, capabilities, subjects of interests, as well as training and career development hopes and expectations in the HR system. This information could also be collected during annual discussions by department managers, a subject that is further discussed in the development chapter.

It is also possible to create career advancement models and pipelines within the HR system and communicate these to personnel and encourage them to inform their interest and willingness to participate in this type of career development programs. This would give further information on how to develop and train internal talents in the future. It is important the information collected from personnel is clearly classified and easily accessible by various keywords, topics, or tags, so that the information gathered can be utilized in practice and avoid time-consuming manual labour of searching for information. These systems and programs are to be put in place in the near future for the talent pools to be better utilized regarding recruitments, talent pipelines and career pathways.

Concerning external talent pools, it was established that IKH does not currently systematically uphold or utilize external talent pools, although information of previous applicants is kept within the frames of the General Data Protection Regulation (GDPR) law. This information is not being collected into a system. Collecting and preserving information of applicants and prospects in the HR system is possible and would be beneficial in the future, and a permit for storing this information can easily be requested through the system from each applicant. In this phase, segmenting and classifying acquired information according to task or talent related requirements also comes into question, and a structure needs to be built to gain best possible benefit from the talent pool.

In addition to recruitments, collecting information for a wider external talent pool could be done from utilizing a specific career page in IKH's own web site. IKH's current career page is not seen functional, it is hidden deep within the current web site, and in need of a thorough renewal. IKH's entire web site is renewing in the spring of 2023, and it was agreed that HR Specialist and Marketing Manager of digital channels would collaborate on this project and create a functional and useful career site for IKH. This will benefit information gathering for external talent pool, also.

In addition to a career site, applicant information can be collected in situations where they take initiative and are in contact with the HR department via emails, social media, or other personal contacts. Regarding social media, LinkedIn was named as the main channel from which new potential applicants could be found for the external talent pool. In addition to these, storing information of previous and current interns as well as employee recommendations of potential candidates is also useful in the future.

External or internal talent pools are not currently being contacted or engaged by IKH. In the discussions, it was found that contacting prospects within the talent pools would be beneficial and a great way to keep the interest of potential candidates. It was also stated that contacting candidates regularly would add to a positive employer brand and make recruiting easier and more effective from the talent pool. Communication can be carried out via IKH's HR program. Once these systems are put in place, of where and how communication can be performed, the style and different ways of how potential candidates will be approached can be discussed further. Employer branding will be discussed later in this study, as it will define the tone and style of communicating with candidates.

6.1.3 Identifying talent

Tracking and measuring is important in identifying top talents and high-potential talents, i.e., employees who have the ability to develop further and take on more demanding tasks in the future. As was discussed in the theoretical part, these activities can include performance reviews, personal observations, interviews and feedback, or the use of more systematic assessment tools. (Pacor, 2022.)

During the interview, it was recognized that IKH does not currently have a comprehensive, systematic structure in place for identifying high-performing or high-potential talent within the company. Identifying internal talent for career advancements and more demanding positions is currently being done based on line managers' or supervisors' personal observations and on previous work performances. It was discussed that even though department managers currently perform annual discussions with each employee, the knowledge acquired in these discussions is not systematically documented or utilized to benefit IKH's talent management operations. Also, the discussions do not currently review the employees' skills, competencies, or talents as such, but addresses more of the current, universal working situation, and its' positive and negative aspects from the employees' point of view.

In the theoretical part, it was recognized that companies inevitably also have so called 'C-players', employees who are not necessarily performing to meet the company's standards. Instead of directly guiding these employees out of the company, personal discussions are performed at IKH between the employee and HR representative. In the discussion, additional support and training is offered for the employee for them to have an opportunity to develop at their task and meet the company's expectations.

It was discussed during the interview that the annual discussions could be utilized in the future to gain more information of the level of talent within each department. The idea of using more systematic tools for identifying the level of competence within each department was not ruled out, however it would require setting up new structures in the HR system to perform these activities. Identifying talent was seen as an important part of managing talent, and in developing internal talent for more demanding roles in the future. Building systems and ways for identifying and developing talent is further discussed in the section of development.

6.2 Attracting

Attracting, with respect to talent management, refers to the set of actions striving to attract top talent, high-performing employees, and high-potential employees into the

company. Creating an attractive employer image is about communicating the opportunities and value a company can offer a candidate, at the same time portraying the company in a realistic manner throughout its communications and the application process, thus connecting the subject strongly to marketing. (Momtazian, 2021.) As a developing and growing company, IKH is going to have new talent requirements and positions which will require specific competence and knowledge in the future. Creating and communicating an attracting employer brand ensures that potential top talent candidates see IKH as a tempting choice for an employer over competing employers, and this way ensuring high-performing talents are drawn to apply. The interviewing form for attracting can be found in Appendix 2.

Attracting proved to be a multifaceted and a challenging entity to be discussed in this study at this point in time. IKH is in the midst of wider discussions and development projects regarding branding as a whole, not only relating to employer branding, but to the entire IKH brand image. As the theoretical part suggested, employer branding cannot be separated from the company's brand image, but they are to be addressed as an entity where one affects the other. In this study, the goal is to create a practical employer branding plan to be implemented as a part of the overall IKH branding process.

An issue arising in this sector is the remote location of the company. As mentioned, the company's headquarters and logistical centre are situated in Kauhajoki, western part of Finland, quite far from large cities and growth centres. This adds a complication to acquisition of employees, especially in specific fields and expert positions. It is not always an easy task to attract and acquire skilful specialists to a remote location. Flexibility is needed in terms of working conditions in the future, as the possibility for full remote working and hybrid models are helpful means for HR in talent acquisition and in creating attraction towards IKH as an employer.

6.2.1 Creating IKH's employer brand

The interviewing session began by evaluating the foundations of IKH, which operates as the basis for creating an employer brand. It was discovered that the company mission, i.e., the purpose for operations is not currently clearly worded or communicated

to personnel. It has been assumed the purpose is clear, however, when examined more closely, the mission is not currently specifically worded. In addition, the company is growing, and new employees are joining continuously, hence the mission statement should be clarified and communicated throughout the organization. IKH's values, on the contrary, are clearly stated and communicated to personnel. The values are presented and gone through with each new employee, and the values can be seen as printed pictures on the walls of the breakroom, negotiation rooms, and the educating room. The values can also be found in the company's intranet, MyIKH. The values of IKH can be said to guide the operations of each department and personnel's work.

While discussing about communicating the goals and strategies of IKH on organizational and on departmental levels, it was discovered that they are not currently communicated sufficiently enough. Big picture goals and guidelines about where the company is headed, as well as smaller sets of short-term goals are needed to be informed more frequently to enhance the efficacy of different departments. It was also noted on a more practical level that clarification, for example, on how the current sales goals are divided into sections in terms of different product lines, dealer networks, or different customer groups, is needed. Specific goals could then be more easily put into practice by line managers within departments. As a conclusion, a clear development objective was identified in communicating the company's mission, goals, and objectives.

Next step was to examine the existing organizational culture, and it was done by reflecting on a recent personnel study conducted by Great Place to Work Institute Inc. in December of 2022. The Great Place to Work (GPTW) study was conducted on the entire IKH organization, including the 12 IKH super stores around Finland, and the goal was to examine if IKH is, in fact, a great place to work. At this point, document analysis was used as a data collection method. The results of the personnel study were given to the interviewee to be analysed and reported, and the results were also further discussed during the interview. This was done in order to form a clear picture of the strengths and weaknesses of the organization in the eyes of the employees in this current time. The response rate for this study was 82 % and the results were very positive organization-wide. As a result of this study, IKH was certified as a Great Place to Work. On the claim, 'IKH is a great place to work', 84 % of IKH's personnel agreed. The average of all claims combined was 74 % agreeable. In five departments/stores,

100 % of personnel agreed IKH is a great place to work, which amounts to 21 % of all departments.

Based on the GPTW study, most positive reviews were given to claims of equality to gender (89 %), race (94 %) and sexual orientation (92 %), work safety (93 %), and excellent customer experience and service (91 %). The weakest reviews were given to claims of compensation and rewards (45 %), encouragement to developing working methods (49 %), inclusion on management's part on the decisions of employees work and working conditions (53 %) and receiving feedback and acknowledgement (56 %). As a conclusion, it can be stated IKH has a positive internal organizational culture, which can affect the employer brand favourably. During the interview, when inquired of possible development objectives regarding the organizational culture, suggestions such as stronger involvement and inclusion of personnel, leadership development regarding management styles and sharing responsibilities, as well as upholding responsibility on line management level were mentioned.

Next, the current employer brand was examined further in terms of communicating to both internal, current employees, as well as to external, potential candidates. Internal communication is mostly done in the intranet 'MyIKH' through announcements and different learning courses and guidelines. In addition, personal emails and phone calls are exchanged during work days. The style of communicating to personnel is somewhat official, but warm and approachable. In the personal contacts the style is very relaxed, informal, and familiar. At IKH, the threshold to approach HR department's representatives or department managers is kept low, and they are very accessible to all employees.

For external target groups and potential candidates, communication is mostly done through job advertisements, social media channels (LinkedIn, Instagram, and Facebook), company's web site, direct emails and phone calls, and face-to-face conversations in meetings, networking situations, and trainings. IKH has some University collaboration, for example, IKH hands out scholarships for graduating students at Vaasa University. The style of communicating in these channels is currently very official, formal, and matter-of-fact. Personal emails and phone calls are naturally more informal and friendly. Emails are also replied fast which relates to IKH's great level of

service in each department and in all activities. Automated responses are also used in some cases; the replies are formal, but the possibility for creating personalized messages exists. Friendliness and genuineness are seen important in automated responses. During each job search, applicants are always contacted, and thanked for their applications. After each apply, each applicant is contacted and informed of the results. It was discussed that the second-choice applicants could be added to IKH's talent pool in the future, with the use of the current HR program. Applicant's permission is needed.

Examining the current communication channels and styles, it was stated, that IKH currently has very little planned and systematic communication to its target groups regarding a desired employer brand. The messaging is scattered, and the style has not been officially defined. In addition, the consensus of the current style and tone of communication was that it is very much official and formal, and it is seen as uninspiring and unmemorable. In order to create a coherent, memorable, and relatable employer brand that is in line with IKH's overall brand image, a comprehensive content plan is needed, where the marketing department collaborates with the HR department to create a communications plan for monthly and weekly basis.

On the question of how well IKH is generally known as an employer, it was stated there are vast regional differences around Finland. In the western part of Finland, especially in South-Ostrobothnia, IKH is a well-known and respected employer, based on the knowledge and experience of the HR Manager. By contrast, when establishing new IKH stores around Finland, it has become clear that applicants especially in the eastern and northern parts of Finland are not yet familiar with IKH as an employer, or as a brand to begin with. This gives clear indication into what areas should be targeted with informative messaging, especially when establishing new stores. There are some exceptions to the familiarity, and based on comments from an HR headhunter, IKH is in fact a known employer, and the perceptions of applicants are positive.

The overall branding process of IKH will help create a clear direction for employer branding as well. The designs and ideas which are currently being developed further by a professional copywriter are directly going to benefit developing and expressing IKH's employer brand image. At this point, authenticity must be kept in mind, and the

employer brand must meet the reality of organizational culture within IKH. This can also have an effect on employee retention, as a truthful employer brand meets the expectations of new employees. According to the results of the GPTW research, IKH is seen as a great employer and the internal employer image is very positive. This helps building the external brand image, as it is based on a positive reality.

When describing the ultimate goal and the best possible employer brand IKH could reach, features such as positivity, safety and security, competitive regarding compensation, flexibility, dynamicity, having a positive attitude towards development, and being a fair and equal employer, were mentioned. It was discussed, based on HR representatives' experiences, that applicants nowadays appreciate meaningful jobs, and the significance and importance of certain positions within work communities is currently seen as an important factor. Employer's flexibility is also emphasized today. A reoccurring trend has been that applicants have familiarized themselves with company values beforehand, and the values are discussed during job interviews. In addition, attitudes towards internationality and diversity are topical matters to be taken into consideration when building the framework for employer brand communications.

In order to meet this ultimate goal for employer brand image, development targets were discussed and named. As the employer brand is tightly bound to existing organizational culture, developing the organization internally translates directly to a positive employer brand. An important development subject is to create structures and channels with which employees can bring forth development ideas and suggestions, which directly affect their work or working conditions. This relates to the GPTW research question of "inclusion on management's part on the decisions of employees' work and working conditions". In addition, renewal of the compensation system was discussed, and a system tied to organizational, departmental, or personal goals was suggested. It was also noted that adding both internal and external communication in general is crucial for prospective candidates to be able to form an image of IKH as an employer and help strengthen the wanted employer brand in the future.

The current channels which are in use for communicating the employer brand were seen as sufficient. LinkedIn would be the most appropriate channel to be used in communicating about IKH as an employer to potential candidates. In the future, it is worth

considering adding TikTok to IKH's social media channels to reach the younger audience, as they are the customers and workforce of the future, and this would also support summer job recruitment campaigns. Other ideas, on how to reach the youth and to express that IKH respects them as customers and future employees, were also considered. A few ideas were documented and are going to be developed further.

As discussed in the planning section, the company's web site is currently under construction and a new career site needs to be designed at this point. The Marketing Manager and HR Specialist will collaborate, possibly with the help of a copywriter, in creating important and attractive content for the new site. Content could be, for example, listing ten great reasons on why to apply and work at IKH, writing career stories (which currently already exist, but are poorly found on current site), and adding easy ways to contact IKH and leave information for open jobs or leave an open application, which will help grow IKH's external talent pool.

The tone of communication was seen in need of renewal. As mentioned, the current tone is official, formal, and can be found quite uninspiring. It was agreed the content in different channels should be relatable, it should tell stories of real-life situations, emphasize the appreciation for professionals working in different fields at IKH, and highlight the successes and everyday life of employees to create a realistic, yet attractive brand image. The target groups, for which the content is created, are professionals in their own lines of business, whether it is in sales, IT, or other specialist fields. Again, the overall IKH branding process will offer many new ways of communicating the essence of IKH and help produce content for employer branding as well.

The style and tone of communicating could be more distinguishable, braver, humorous, and stronger than it currently is. The main messages need to be formulated according to the ultimate goal for an employer brand, and as a result, a plan for content can be created to support these goals. Employer branding is related to emotional branding, and humanizing the brand and telling relatable stories have the ability to evoke feelings of trust, reliability, innovativeness, and excitement within the target labour market. Emphasizing IKH as a unified team, one tribe named 'IKHlainen', was seen as an efficient way of creating positive buzz around the company.

Creating example texts and tones for communicating in different channels was seen as a useful tool for the future. These examples could then be briefed to managers of IKH's departments, and they could share and create content for IKH. For example, a requirement of two posts per month could be added to managers' job descriptions, the goal being in communicating about the IKH brand, and at the same time supporting the employer brand. In addition, encouraging employees to share and create content in their own channels was seen an efficient way of creating authentic employer brand. With guidelines and encouragement this could easily be achieved, small incentives could also be offered for enthusiastic employees. An employee ambassador program could also be created, in which employees' stories or video diaries such as 'My working day' from multiple different departments could be created and posted.

6.2.2 IKH's Employee Value Proposition

Formulating IKH's Employee Value Proposition begins with examining the core aspect from which IKH wants to be first and foremost known as an employer. It proved out to be challenging to specify one single aspect, as IKH operates in and employs people from such a wide range of fields: sales, warehouse operations, administration, IT, purchasing, etc. Specifying one key aspect that speaks to all different fields is difficult. Therefore, it was agreed, that IKH's current personnel vision could operate as the basis for the EVP as it combines the sense of community, the desire to be an 'IKHlainen', as well as positivity, willingness to develop further, and dynamicity.

IKH's personnel vision is stated as follows:

“Our goal is to be the most desired workplace in the area. Our operation is based on professional and inspiring leadership, as well as on fair and clear operating policies. Our competent personnel operates professionally and is goal-oriented, constantly striving for positive feedback in customer satisfaction as well as in interaction with colleagues. We want our employees to experience their work and workplace as meaningful and significant. We remember that each of us, regardless of our position, are responsible for our work community's atmosphere and wellbeing.”
(MyIKH intranet, n.d.)

The Great Place to Work certification is a great achievement that should be utilized in employer branding and some of the most important factors from the study could be written into the EVP. According to the results of the research, the most positive aspects could be highlighted and written in the form of practical examples of real working life situations. The highest scores were related to equality, safety, and excellent customer experience and service.

It was discussed, that based on the key factors listed in this chapter on which IKH's EVP can be formulated upon, a professional copywriter could be brought in to write the EVP out. As the overall branding process is ongoing and tightly related to the subject of what IKH is and what it offers to its customers, the Employee Value Proposition can be brought in as one part of the branding process. The idea is to communicate; 'Here is what IKH has to offer its employees, and here is how we bring it to practice'. The EVP is going to be communicated mainly on the career page of IKH's web site. The key aspects of the EVP can be divided into different themes, which can then be written into further content to different channels.

6.3 Developing

The theoretical part of this study points out how developing internal talent offers organizations room to grow from within, and how development programs and opportunities have the potential to engage employees, spark excitement and maintain motivation, make employees feel appreciated by enabling professional development, and by opening new career pathways (Chambers et al., 1998, p. 56). Being able to continuously develop organization's HR assets is vital for sustaining the competitiveness of the company (Joki, 2018, p. 141). The interviewing form can be found in Appendix 3.

The general attitude towards developing personnel at IKH is extremely positive, it is seen as an important factor in enabling the company's competitiveness and future capabilities to overtake competition. Although training is not systematically being suggested to employees in different departments, development and training is financially invested in at all levels of the organization, and employees are free to suggest their willingness to partake in different trainings as they see beneficial for their tasks.

6.3.1 Talent requirements

Regarding development, the first part of the interview focused on reflecting on the talent requirements stemming from IKH's goals and aspirations for the next one to five years. IKH is operating in a field that is evolving and developing rapidly, therefore it is difficult to make specific forecasts on what the industry is going to look like in the coming years. However, it is known that IKH's current operating model of offering genuinely professional service while offering high quality products will continue to be on the forefront of operations and remains a clear competitive advantage in the future. This sets specific demands and needs for developing the entire personnel and dealership network to operate according to this ideal, and ensuring this promise is continuously fulfilled in the customers' eyes.

As an importing company, IKH's warehouse logistics is one of the most important functions in the company. Developing the warehousing operations, keeping up with modern solutions, and offering training opportunities for warehouse personnel is essential for upholding the high level of operations and meeting future talent requirements. In addition to developing through training, ensuring the warehouse department's personnel is aware of their valuable role in the company's business strategy is seen important. Other talent requirement reflecting on future needs is the development of health, security, environment, and quality (HSEQ) matters. For IKH, this is a new entity to be managed and requires specific knowledge and familiarization to subject. Related to this, sustainability regarding all fronts of operations is important and will have more emphasis in the coming years.

Further training on product information across all IKH's product lines is seen vital for ensuring the high level of professional service offered to the end customers. As a significant competitive advantage for IKH, upholding the high standard of offering professional service by developing product knowledge can be seen as one of the crucial factors directly affecting company performance. Having in-depth knowledge of product ranges sold is not only limited to salespeople in stores, but also concerns Regional Managers who are in contact with the dealer network's associates. A program of a 'Training pass' is currently being developed, where salespeople collect stamps of each training they complete, regarding product information, as well as sales service skills.

A certain number of trainings will be required of each salespeople. For tracking, measuring, and searching information of completed trainings per each employee, a structure needs to be established within the HR program. In addition, IKH's future talent requirements will also concern skills in B2B-sales and innovating new ways to serve the B2B-customers even better.

Regarding development on the organizational level, being a part of Grafton Group sets new talent requirements for various departments, especially for IT and finance departments, to create consistent operating models and structures for systematic documenting and reporting. New operating models and practices require training and clear leadership for them to be successfully incorporated into practice. Related to this, developing existing leadership skills and particularly abilities on managing change are emphasized. The overall ability to bring systematic structure to all operations through planning and target setting, monitoring, and measuring are seen important in the near future.

Digitalization and changes in IKH's IT systems and programs will also pose a wide range of new development needs for the organization, creating new expert positions to be filled, and existing knowledge to be expanded and upgraded. The field of IT is ever-changing and developing, and IKH is currently investing heavily in building new systems to better serve the future needs of its customers. In order for IKH to keep up and surpass the competition in this sector, it needs to invest in developing personnel operating within this field to meet the complex talent requirements. The importance of synchronizing upper management's strategies and plans with IT department's digitalization operations is emphasized as a key factor in IKH's success in its markets. In addition, a decision must be made whether the competence is developed in-house, or if some services will be outsourced. If the decision is to keep all IT operations in-house, additional training and hiring new competence will come into question.

The talent requirements listed above translate to various learning objectives. Developing competence and filling gaps in leadership skills at all levels is stated as an important objective, especially in the coming months and years, when changes and various development projects are ongoing. Two important aspects in this area were named: (1) improving communications from managers to subordinates, and (2) clarifying

long-term and short-term strategic goals for personnel. A forum already created for developing IKH's leadership operations is the regular managers meeting, where managers of all departments meet and are updated on topical matters and coming strategies. A practical improvement idea presented for these meetings is to compile a summary of the most important matters discussed in the meeting, which line managers are then expected to communicate and go through within their departments. This would help create a new, systematic operating model that enhances the flow of information within the organization and participates line managers in the organizational development.

Developing managerial skills across the organization is seen important for the future. It is emphasized in cases, where an employee has been promoted from an operative role to a managerial role; even if they have significant amount of task related competence and knowledge, they may still lack in managerial skills. Being an expert of a subject does not translate to expert leadership. Managing talent within the company and giving line managers more responsibility in identifying talent is also mentioned as a strategically important factor for future operations and success. In 2021, IKH offered managers across the organization an opportunity to participate in a leadership development program, with a possibility to graduate with a degree. 33 managers participated in this program, many of the managers took part in the program's training days without the objective to graduate with a degree, and 20 graduated with a degree in early 2023.

The current changing organizational environment requires employees to have adaptability, resilience, and ability to endure stress and uncertainty to some degree, as former operating models and in some cases entire job descriptions are going through changes. These factors are naturally related to employees' intrinsic personal qualities and attributes and are not learning objectives as such. However, these factors should be noted and recognized on the managerial level as factors that can have an influence on a person's job performance, or willingness and ability to develop further. Amid change, clear communication of goals and strategies, as well as taking care of personnel's well-being is highly important, so that going through stressful times becomes easier, and ultimately makes the organization stronger in the end.

6.3.2 Development strategies

After identifying talent requirements and defining different learning objectives, the next step is to examine development methods and set out development programs. When discussing IKH's development strategies, methods such as succession management, offering training resources, and social learning are currently in active use. Career planning and creating career pathways is seen as a possibility to actively develop employees into new, more demanding tasks in the future. Transition management is also seen as a viable choice in cases where an employee is changing positions or retiring, and a successor is known. Transition management offers an opportunity to transfer valuable tacit knowledge within departments. In order to succeed, each of these strategies require an active stance from department managers in identifying and developing employees into new tasks.

As mentioned in the chapter of identifying talent, IKH does not currently have systematic identification of talent or level of competence, i.e., the method of assessment is not in use. However, it is seen as an important factor in creating development structures for the future, and to find out gaps in knowledge and competence, the current situation needs to be studied, the findings analysed, and compared to future requirements and learning objectives. A competence and performance review could be a more prominent part of performance management in the future, where line managers would be more involved in identifying and developing talent within their departments. The main focus should be on proactively identifying and developing talent to match future needs set by the company's strategies and goals. Similar assessment of managerial competence could be performed annually, and additional training could be actively offered.

Competence mapping could be performed by line managers within each department during annual discussions, using an additional questioning form. The competence mapping form should be created together with the department's managers; listing task related basic and special skills needed in the department's operation, assessing, and reflecting the employee's current level of competence to current and future needs, as well as to goals regarding talent. Once the assessment is done, a suitable development program can be put in place to meet future talent requirements or employee's goals.

As was mentioned in the chapter regarding planning and especially creating talent pools, it is possible to build models of career development and talent pipelines within the HR program. Career planning or creating career pathways is not currently systematically used as a method of development, however it was seen as a possibility in the future. It is also to be decided within the management team, whether these possible talent pipelines or career pathways are going to be communicated to the entire organization. IKH currently employs about 450 employees, and it is obvious in a company this size, not all employees can be put in an ascending career pipeline. Career pathways can be carried out case-by-case, as they currently are in some departments.

The model of continuous development is mentioned in the company values, and it is realized through offering personnel various development opportunities. Regarding development, it is also important employees have the intrinsic desire to develop themselves in the learning objectives mentioned, and to seek deeper professional knowledge to meet the requirements of strategies set by management. The organization can offer opportunities for development and growth, but the motivation, drive, and initiative must come from the employees themselves. The chosen development programs of offering training resources, encouraging social learning through mentoring, career planning to some extent, as well as succession and transition management are designed to give the organization's personnel opportunities to develop and grow within the company.

6.4 Retaining

Employee retention refers to a set of HR practices aiming to keep current employees employed within the company. Regarding talent management strategy, the focus is especially on retaining top talent and high-potential employees, employees in key positions, and employees working in positions where replacements are difficult to find. Retaining the right talent is a key factor in sustaining high level of operations and achieving growth. (Bhattacharyya, 2015, pp. 119-120.) Employee turnover rate is an effective way to monitor how many employees leave the company in general (Allen, 2008, p. 2). The interviewing form for retaining can be found in Appendix 4.

When examining the success of IKH's current retention operations, the employee turnover rate is an appropriate place to start. At the end of 2022, IKH's annual employee turnover rate for the entire corporation, encompassing IKH Kauhajoki headquarter and 12 super stores around Finland, was 16.6 %, which makes it one of the lowest turnover rates of the companies owned by Grafton Group. For IKH, this percentage is at a completely manageable level, and does not affect operations negatively in any key functions or positions. There have been individual cases in the past, where a key position has been left vacant as an employee has left the company. In these cases, the position has first been filled in by other members of the team until a new hire has been acquired. In some cases, a moderate turnover has been a positive factor, bringing in new talent and refreshing thinking within the organization.

The reasons behind employee turnover are examined and documented in detail. Within the HR system, there are over 20 reasons for employee departure to be selected from during the exit process. Currently, as employee turnover rate is low, these reasons are not further classified as suggested in the theoretical part. For future operations, it was seen as beneficial to classify information and document whether the reasons for leaving are voluntary, dysfunctional, and in particular, if the departure is avoidable. This can offer insight into why employees are leaving and if there are specific, reoccurring reasons arising, for example, within one department. In these cases, it would be easier to address these issues and strive to correct them. However, in the current state of low employee turnover rate, this is not seen as critical.

For documenting the reasons behind employee turnover, IKH currently uses exit interviews as a way to understand the reasons behind departure. The exit process and exit interviews are discussed in more detail in the next chapter regarding transitioning. Other strategies mentioned in the theoretical part for collecting information are not currently in use, however some of the suggested methods could be utilized in the future. For example, performing post-exit surveys was found an interesting option, as it gives the opportunity for the former employee to view the reasons for departure more objectively once time has passed, and could possibly offer additional insight to why a decision to leave was made. This would be useful, for example, in key positions, as not all positions require this in-depth information.

In addition, current employee focus groups and predictive turnover studies were seen as viable strategies to be performed within a year, as structures for execution as well as reference values exist from the Great Place to Work research. The GPTW research offers a platform and an opportunity to perform additional Pulse-studies regarding the research, directed for the respondents. For example, one claim in the study was directly regarding predictive turnover and was formulated as ‘I will most likely be working for IKH for a long time’. For this question, 7.3 % answered ‘Most likely not’. Even though the percentage is small and not alarming in any way, the question could be renewed in a Pulse-study, and additional clarification as to why they would leave, if they were thinking of leaving the company. The Pulse-studies should be utilized for employee focus groups and predictive turnover studies and could be directed to departments or stores that have higher turnover rates than others.

Regardless of the current positive stance of employee turnover, it is important to keep in mind that retaining employees within the company requires proactive measures, and settling into the current state of calm could potentially be dangerous. Especially in the current phase of organizational changes and renewals, ensuring high-functioning retention strategies is vital for keeping talent within the company. IKH’s current strategies to ensure employee retention include thorough recruitment and selection processes, where a truthful depiction of the company is given and the suitability of the candidate to the organizational culture is estimated; socialization of employees, which to some extent is dependent on departmental customs; training and development, as was discussed in the previous chapter; compensation and rewards; and employee engagement, which again is dependent on departmental activities, as well as on managers.

The strategies, which are seen as most important for retention activities, and should be invested in the future, are training and development, which offers possibilities for career advancements, high-functioning and fair management operations, and compensation and rewards, especially on specialist positions. However, the GPTW research has shown, that on some departments, these are the sectors that are in need of further development to ensure employee satisfaction and retention. As was mentioned in the developing chapter, continuous development of leadership skills throughout the organization also serves as an effective retention strategy.

6.5 Transitioning

Transitioning includes subjects such as career pathways, internal mobility, i.e., vertical and horizontal movement within the organization, succession management activities, and exit processes (Momtazian, 2021). Regarding key positions, succession management can be seen as a systematic, long-term approach in ensuring the high performance of the organization by identifying and providing current, high-potential employees' development opportunities for new positions. Succession management takes into account the resources and abilities of the existing talent pool while forecasting future needs of the company with respect to its strategies. (Berke, 2005, pp. 2-3.) The interviewing form for transitioning can be found in Appendix 5.

As the theoretical part points out, transitioning and succession management in particular, is the culmination of all talent management activities. First, pivotal key roles need to be identified, as has been done in the planning chapter. Second, in order to have talented, skilful employees ready for more demanding tasks, assessment measures, as well as developing and training activities must operate in line with the demands set by key positions and the company's future goals and strategies. Developing employees and offering them successor roles within the organization operates as an effective retention activity.

During the interview regarding transitioning, it was established that Grafton Group has recently provided IKH with an organization-wide reviewing tool for succession management. The program is based on a 9 Box Talent Grid model and is performed on each department by the upper management level. The tool enables the identification of future successors in different stages, as well as possible shortcomings in each department. The detailed content of the tool is for management level only. The theoretical part of this study also suggests dividing potential successors into different categories based on the readiness of the successor. This type of classification has not yet been performed at IKH but is seen as something that could have potential in bringing additional advantage for the succession program in the future.

As mentioned, transitioning also encompasses the employee exit process, whether an employee is retiring or leaving the company for other reasons. As part of the offboarding process, exit interviews are currently being conducted by the departing employee's immediate supervisor. However, it is recommended the interview would be conducted by a neutral party, such as the HR representative or the employee's second or third-in-line manager. This way the conversation can be more honest, and difficult subjects regarding, for example, managerial issues, are not avoided. The information of the exit interview is documented within the HR system but is not further analysed or categorised. If the retention of employees would become an issue in the future, analysing and utilizing information to develop the organization would come into question. As mentioned in the chapter regarding retaining, post-exit surveys could also be performed in the future to employees, who have voluntarily left key functions or positions in the company, to gain a better understanding behind the reasons for departure.

IKH does not currently keep in touch with its former employees. This was seen as a possibility regarding key positions, but not to be implemented as a systematic, all-encompassing program. IKH's employee turnover is quite low, and retention is not currently seen as an issue. However, leaving a good impression and ending the employee's working relationship on a good note was seen absolutely important, and the company has experienced many returning employees in the past due to a positive exiting process, which leaves the possibility for returning wide open.

7 SUMMARY AND ANALYSIS OF THE RESEARCH

Based on the research results presented in chapter 6, IKH's talent management strategy is concluded in this chapter. As the objectives of the study stated, the managerial plan strives to create systematic structures for identifying key positions and talent within the company, create systematic structures for developing talent within the company, develop a plan for building a strong and attractive employer brand, and formulate an Employee Value Proposition for IKH.

7.1 IKH's talent management strategy

The talent management strategy created for IKH is summarised in Table 1. The five themes discussed in this study are depicted in the first column and a suggested timeline for implementation can be seen on the top line.

As the researched themes are wide and each theme is extensively discussed in the chapter of research results, a summary will help perceive the main points of the strategy. It will also help the case company to focus on matters which are to be performed during the first year, and not be overwhelmed by all of the issues and matters discussed in this study, all at once. The actions, which are to be performed within the first year of implementation can be seen as crucial for setting up structures for future operating models and expansions of each subject related to talent management. In addition, summarizing clear points of action and a timeline for implementation helps the organization in bringing the strategy into everyday operations of different departments.

Table 1. IKH's talent management strategy

	Actions within the first year	Actions within two to three years	Actions within four to five years
PLANNING	- Focus on key positions in B2B sales, IT, and finances	- Utilize talent pipelines and career pathways - Re-examine key positions	- Update and revise key positions regularly
	- Activate and encourage personnel & managers to inform additional information - Create structures for utilizing information from HR system - Source for external talent pools	- Utilize internal & external talent pools in recruitments - Create a system for engaging talent pools - Check & revise talent pool activities regularly	- Maintain, engage, and recruit from talent pools - Check & revise talent pool activities regularly
	- Create structures in the HR system to identify talent and measure competence - Update annual discussion form	- Add systematic tools for identifying talent - Actively utilize career pipelines and pathways	- Revise and further develop talent identification systems
ATTRACTING	- Create a content plan & examples of styles and tones of communicating the new brand image - Create new career site, communicate employer stories, utilize employee ambassadors	- Create additional content and stories, add new channels for communication - Check & revise the style and tone of communication	- Conduct research to examine employer brand image - Check & revise activities to match the existing brand image
	- Clearly communicate the company's mission, goals, and strategies to personnel	- Add more flexibility to work models	- Check & revise
	- Uphold the positive organizational culture	- GPTW & Pulse studies to be repeated annually	- GPTW research to be repeated
	- Write out the EVP (professional copywriter)	- Update the EVP if necessary	
DEVELOPING	- financially invest in development and training activities and enforce talent pipelines		
	- Apply development programs		
	- Continue developing warehouse & logistics operations		
	- Develop HSEQ and sustainability matters		
	- Continuous product information training & 'training pass'	- Appoint a person to develop training activities	
	- Development of B2B-sales services		
RETAINING	- Development of IT and finance departments	- Development of new services for B2B customers	
	- Actively track and measure employee turnover rate	- Utilize retention activities proactively to ensure low employee turnover rate	
	- Conduct Pulse-studies		
	- Continuously develop management operations as an effective retention activity		
TRANSITIONING	- Utilize the existing succession management tool	- Divide successors into groups based on readiness	
	- Consider horizontal and vertical mobility within the company	- Conduct post-exit surveys (in key positions)	
	- Develop exit interview practices	- Classify information on 'voluntary', 'dysfunctional', and 'avoidable' basis	- Engage & contact former employees (in key positions)

After summarizing the results of the study in Table 1, the research process is further analysed next. The following chapters examine the reliability, validity, and ethicality of the study. In the final chapter, conclusions and future recommendations are presented.

7.2 Reliability and validity of the study

In this chapter, reliability and validity of the study are examined. This study was executed as qualitative constructive research, using thematic group interviews and document analysis as data collection methods. Saunders et al. (2019, pp. 213-214) define research reliability as the ability for the research to be replicated and similar findings to be discovered, i.e., results would be consistent. Evaluating the research process's reliability and validity objectively and critically is important in establishing the quality of the study.

Validity is concerned with how well the chosen research design and methods support and suit the subject that is researched, and how accurately the researcher has managed to analyse the results in relation to the research objectives, and if the research methods and results are generalizable. The research results are valid, if the purpose of the research is met with appropriate methods, the data collection process is objective and unbiased, and the research process is clear and well-documented, enabling replication. (Saunders et al., 2019, pp. 213-214, 216.)

External reliability is realized, when the research can be replicated in another point in time using the same research methods, conducted by the same or different researcher(s), and consistent results are discovered. However, as Saunders et al. (2019, p. 216) point out, it is not generally possible for qualitative research to be fully replicated, due to the individual nature of subjects being researched. The quality of the research process can then be analysed by the replicability of the research methods used.

Concerning external validity, this study could be replicated, for example, in another business unit or in other companies, and the talent management strategy constructed would follow the same structure and contain same subjects as discussed in this study.

This research offers an applicable and functional model and framework for creating talent management strategies for other businesses as well, even though new theoretical knowledge was not created during this study. The findings would undoubtedly differ according to the current circumstances of the company or business unit in question. The results of this study, i.e., the managerial plan constructed, is related to the particular situation of this case company at this point in time.

As in constructive research, the researcher has some affect and participation in constructing the managerial plan, and due to the qualitative nature of this study, analysing the research results include the perception and interpretation of the researcher (Lukka, 2003, p. 96). However, the strategy presented in this study is strongly based on the theoretical background introduced in the study, document analysis of the Great Place to Work study, as well as the interviewees' expert knowledge, views, and opinions. If this particular study were to be repeated with the same participants, concerning the same company in this point in time, the researcher is confident the research results would be similar to this study.

In an ideal situation, the research interviews would have been extended to include a larger group of participants within the company, preferably including more members of upper management and managers from different departments. This would help engage and participate the upper management in the development of talent management operations. Due to multiple ongoing urgent and overlapping development projects, and extremely hectic schedules of managers across the company, this was not possible to execute within the timeline of this study. The results of this study are going to be presented to the executive board, which will bring attention to the importance of the subject and benefit the implementation of the strategy in practice.

The research objective of creating a holistic managerial plan has been achieved. Creating systematic structures for talent management planning activities, especially identifying key positions and talent within the company, creating structures for developing talent, and developing a plan for an attractive employer brand, have been fulfilled. The objective of formulating an Employee Value Proposition was partially achieved, as the research results present a strong basis for wording the statement in the near future. A professional copywriter will be needed to finalize the work.

Regarding the research method, this research partly fulfils the characteristics of a constructive research, excluding the phase of examining the applicability of the research results in practice, as well as offering new theoretical contribution. Testing was not possible due to the timeframe of the study and contributing new theoretical knowledge was not seen as an objective for the study, as contribution to practical operations was seen more relevant to benefit the case company.

Concerning the research approach, a case study with features of a constructive research approach would have also been a viable research method choice, however the researcher sees this study to fill many of the central features of a constructive research, and a clear construction was accomplished as a result. In addition, this research presented a practically relevant problem to be researched, which in this case is IKH's talent management strategy. The researcher acquired deep knowledge and understanding of the theoretical background related to the subject, and based on this theory, a solution, a talent management strategy was constructed. The functionality and importance of the construct presented in this study has been thoroughly justified, the results of this study are firmly connected to theory, although not tested in practice. (Kasanen et al., 1993, p. 246.)

Testing the construct created in this study can be performed afterwards. As the construct comprises of five distinct themes, the functionality and applicability of each theme can be tested separately. For example, by applying the suggested employer branding activities and by conducting a brand image study to see if the suggested activities have been successful; and by performing competence assessment and evaluation measures throughout the organization to gain information of the current level of competence; and by conducting succession management evaluation throughout the entire organization to map out successors and possible shortages regarding successors especially in key positions. Each of the themes presented in this study can be tested separately, and the applicability can be evaluated individually. Additional suggestions are discussed in the last chapter regarding conclusions and future recommendations.

The researcher would critically assess the results of this study to be reliable, credible, and valid, as the research methods chosen are mostly suitable for the purpose of the study, and the research results have been meticulously and appropriately analysed by

reflecting on the theoretical frame set in this study, as well as on the participants' answers. A construct, which benefits the case company has been made as a result.

7.3 Ethical analysis of the study

Research ethics are to be considered in every aspect of the research process, from the planning phase to collecting, analysing, and reporting data. It denotes the behaviour and manner in which the researcher is in contact with the subjects of the research and how information is handled during the research process. A code of ethics has been developed to guide researchers in their work. General code of ethics relates to integrity, fairness and open-mindedness of the researcher, respect for others, avoidance of harm, privacy and informed consent of those taking part, responsibility in the analysis of data, and reporting and compliance in the management of data, to name a few. The goal of the code of ethics is to avoid poor research practice, malpractice and harm. (Saunders et al., 2019, pp. 252-253, 257-258.)

This study was made with the approval and consent of the case company and voluntary participation of the interviewees. This study did not contain any personal information about the interviewees or the case company's personnel, nor was the research topic particularly sensitive by nature. However, the research does discuss strategically important issues, thus particular care and attention was needed when discussing sensitive information and when writing the research report. No confidential or sensitive issues were written into the report, which could potentially harm the case company.

As an internal researcher, (Saunders et al., 2019, pp. 219-220) the organization and its processes were familiar to the writer. Recognizing this and keeping in mind how this might cause assumptions and preconceptions during the research process, the researcher paid special attention in remaining unbiased and neutral. The specific field of HR was unfamiliar to the researcher, which supported the neutral stance towards the research subject. The researcher was dependent on the theoretical background of the subject, as well as on the expertise and knowledge of the interviewees. This study was conducted to the best abilities of the researcher, putting careful thought into the re-

search process and methodological choices, as well as handling and analysing the research results as meticulously as possible adhering to research integrity. The research results have been viewed objectively despite the researcher's working relationship with the company, and the managerial plan constructed as a result is a true representation of the company's talent management activities.

8 CONCLUSIONS AND FUTURE RECOMMENDATIONS

Based on the theoretical part of this study, it is evident that strategic talent management is an extensive, multifaceted entity with major influence on multiple functions and operations of an organization. Talent management activities strive to utilize the full potential and competence of a company's personnel, further develop its' capabilities, and emphasize the people as the most important contributor when implementing strategies into practice. A well-designed, far-reaching talent management strategy stretches across all functions and departments of a company, and concerns leaders and managers on all levels.

The main themes of talent management discussed broadly in this study; planning, attracting, developing, retaining, and transitioning, take into consideration the entire employee journey from attraction to employee offboarding, elaborating how each component affects the next phase of the employee life cycle, thus bearing significant strategic value for a company's overall performance. Creating a high-functioning talent management strategy equips an organization with a comprehensive plan to make the most of its HR assets while keeping the best interests of its personnel in mind.

For the talent management strategy created in this study to be effectively implemented in the future, the upper management's commitment to talent management operations is highly important, and their willingness to further develop and support the ideas and practices suggested in this study is crucial. The writer would suggest for the management team to hold regular quarterly meetings regarding IKH's talent management activities. In these meetings, especially in the first year of implementing the strategy, specific steps could be set out for the following quarter regarding the first essential aspects of the talent management strategy, which can be found in Table 1. In the first year, these would include focusing attention on key positions, building the employer brand in unison with IKH's overall brand, and creating training programs that focus on IKH's core functions; product information and offering genuinely professional and outstanding service.

A suggestion regarding training activities would be to appoint a specific person to be responsible for building and developing the training programs, as the know-how and competence of sales personnel is seen a highly important factor in IKH's future success. Investing in development and training activities strengthens IKH's agility and ability to produce compelling solutions for customers regarding traditional products and services, as well as innovating new solutions, and modern, digital services. Linking this development and training work with identifying and assessing talent within the company, the level of competence and know-how of sales personnel could be further studied in specific research, after a training program(s) has been implemented for one to two years.

As further research recommendation, once the overall IKH branding project and the employer branding strategy presented in this study has been implemented for one to two years, it would be beneficial to conduct a brand image study also concerning IKH's employer brand. The research would examine what kind of effect the performed activities have had, and if they have resulted in the desired outcome. Depending on the results of the study, employer branding activities can be revised and readjusted.

As the Great Place to Work (GPTW) research indicated, IKH as an organization is healthy and considered to be a great place to work by the employees. Employees view the company as a safe and equal working place, and as a result, employee turnover is low. As was discovered by the GPTW research, compensation and rewards, management operations, receiving feedback, and encouragement in developing working methods were seen as critical development subjects. Developing a competitive compensation system potentially tied to results, creating channels where employees can express their ideas concerning working methods and conditions, and leadership training are effective ways, which can improve these results, create more well-being, and ensure retention of employees in the future.

The writer would suggest conducting personnel studies annually, such as the Great Place to Work research. The results of the studies are clear indicators of how satisfied employees are, and how well talent management activities are functioning. Pulse-studies related to the GPTW research could be utilized for acquiring additional information on the weaker results. Regarding organizational performance, and as was mentioned

in chapter 2.4 regarding the boundaries of this study, current leadership operations and future leadership development activities would offer an interesting topic to be researched in the future. Such research would offer additional information on the effectiveness of current leadership operations, how leadership could be developed, and how these activities could benefit the organization and its talent management operations.

As Ready et al. (2014) point out, a talent strategy should be easily adjusted and revised over time, and the talent management strategy presented in this study is no exception. This study is meant to operate as a starting point for IKH's systematic talent management operations. This research is not a finished product, but a groundwork for setting structures and operating models to support talent management activities organization-wide in the future. The results of this research will be translated in Finnish and handed over to IKH's HR department to be further developed and revised in the coming years, taking into consideration the changing business environment, future goals, and the ongoing development projects within the organization.

Making people the priority, focusing on talent management activities by ensuring the ongoing acquirement, development, and retention of high-performing employees is pivotal for a company's success. As a final thought, Lawler (2008, p. 97) underlines the importance of talent management operations by stating:

Decisions about people should be made with the same rigor, logic, and precision that are applied to decisions about capital investment, products, technology, and physical assets. To do anything less than this is to risk creating an organization that cannot perform effectively.

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THEMATIC INTERVIEW

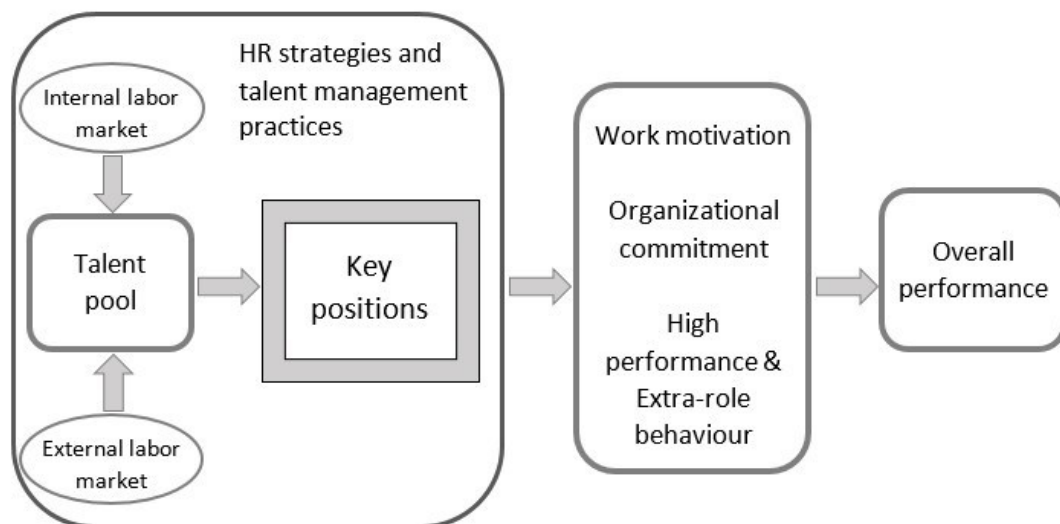
1: PLANNING

Date: 6.2.2023

Participants: HR Manager Minna Rajamäki, HR Specialist Anna Mäki-Kamppi, and HR Assistant Anne Ryödi

Setting: Face-to-face group interview, duration two hours

Theoretical framework for the thematic interview regarding planning (Collings, 2012).



Planning talent management operations aims to ensure that there are high-performing employees and successors available for key positions at any time (Trost, 2013).

Strives to build systematic structures for identifying and developing talent within the company, which in return helps achieve long-term, committed careers, and supports succession planning (Trost, 2013).

Planning ensures the company has processes in place to utilize its employees' talent and potential to its maximum in order to reach the company's strategic goals (Trost, 2013).

Proactive measure to ensure the sustainable availability of workforce in crucial positions across the entire organization (Momtazian, 2021).

Theme 1: KEY POSITIONS

Rather than filling every position with ‘A-players’, this ideal starts by identifying the most crucial positions of the company and filling them with high-performing employees. Succession planning and employee development is mostly focused on these positions. Focus is on strategically important roles with an above-average impact. (Collings, 2012.)

Identifying key positions is done by systematically analysing the operations and examining processes with respect to the organization’s mission and purpose, and

- (1) recognizing the most important positions, which have strategic importance to the company,
- (2) recognizing the most vulnerable positions, where operations would significantly deteriorate if left unmanaged, or if the task was managed insufficiently, and
- (3) recognizing positions that have the potential to produce value for the company when performed by a high-performing employee (Collings, 2012).

Rather than focusing on ranking the positions through employees’ educational level, years of experience, or special skills, the positions should be ranked by focusing on the potential outputs of the position, i.e., what added strategic value is, or could be produced in a specific position (Collings, 2012).

Identifying key positions also requires planning and projecting into the future; where the company aspires to be in the next three to five years, and what type of new positions and skills will be required (Viitala, 2021).

The critical positions can be of managerial, technical, or supporting nature.

These can be tasks that currently have (Kahar, 2016)

- (1) only one person managing the unique task (high vulnerability),
- (2) tasks that require specific knowledge and expertise (specific knowledge developed over a long period of time),
- (3) that are rare in the market (difficulty to recruit),
- (4) tasks that have employees retiring in the coming five years (succession planning and knowledge transferal),
- (5) positions where an employee has wide internal or external networks (knowledge and relationships developed over a long period of time),
- (6) tasks which are geographically located in particular locations (difficulty to recruit), and
- (7) managerial roles, which have operational and strategic importance.

Critical roles can also be reviewed from the perspective of the organizational structure: (Ingram, n.d.)

- (1) key managerial positions (the scope of responsibilities, the level of top-down leadership and guidance),
- (2) positions where a line manager has a high number of subordinates or direct links and reporting relations with other departments (direction and guidance, information transferal), or
- (3) operative positions in the lower levels of the organization, which are pivotal for the organization's functions (key sales personnel, customer service)

Looking closely at different departments of IKH, which positions could be classified as critical according to:

1. High vulnerability
2. Tasks that require specific knowledge and expertise
3. Tasks that are rare in the market
4. Tasks that have employees retiring in the coming five years
5. Positions, where employees have wide internal or external networks
6. Tasks which are geographically located in particular locations
7. Managerial roles, which have operational and strategical importance

From the organizational point of view, which positions can be viewed as critical for IKH's operations according to:

1. Key managerial positions
2. Positions where a line manager has a high number of subordinates or direct links and reporting relations with other departments
3. Operative positions in the lower levels of the organization, which are pivotal for the organization's functions

In addition to positions mentioned above, can you think of other specific positions, which could have the potential to produce strategic value for the company when performed by a high-performing employee?

If it currently is not, should assessing and identifying key positions systematically be added into IKH's talent management practices in the future? In your opinion, what advantages could this present in the future?

Theme 2: CREATING TALENT POOLS

A talent pool will help provide qualified, high-performing, and top talent employees to key positions when needed. It is essential to be proactive, and plan and compose a high-quality talent pool based on future forecasts and needs. (Collings, 2012.)

A talent pool is a collected database that contains information of potential, engaged, skilled candidates who have previously worked for, applied for, or otherwise shown interest to be working for the organization (i.e., former employees, interns, freelancers, employee recommendations, people who have informed their interest in working for the company, and second-choice applicants who show potential) (Sternberg & Turnage, 2017).

A talent pool can also be maintained of company's internal talent, where employees' skills and career development desires, expectations and capabilities are listed. Internal talent pool is generally utilized first, especially when looking to promote employees to leadership positions. (Viitala, 2021.)

The process of building a talent pool:

- (1) Sourcing possible talent through multiple channels (diversity). For example, sourcing for new talent can be done from part-time jobs, internships, and school-related collaborations and programs, career and trade fairs, company's social media channels and career website, or by actively sourcing different career portals (Chambers et al., 1998, p. 12).
- (2) Segmenting the collected information of possible candidates according to company needs; job-oriented and/or a talent-oriented point of view (Personio, n.d.).
- (3) Engagement of the talent pool, which may include feedback of a previous recruitment process, providing some additional general knowledge of the company, sending birthday greetings or invitations to company events, or creating interesting content to company's career site and social media accounts (Personio, n.d.).
- (4) Recruiting from the talent pool. When a position opens up and the company contacts a prospect from the talent pool, the probability of them joining the company is higher when they have been regularly reminded, contacted or paid other attention by the company (Personio, n.d.).

Building and maintaining a high-quality talent pool is an effective long-term strategy in proactively ensuring that the company's recruitment needs are being filled (Collings, 2012).

Internal talent pools:

Does IKH currently collect information and maintain internal talent pool(s)?

If yes, what type of internal talent pool(s) exist, and how are these utilized in recruiting situations, or when situating employees into new positions (talent pipelines)?

In your opinion, are these internal talent pools currently utilized to maximum capacity in a strategic manner to fill key positions within the company? If not, how would you improve their utilization?

External talent pools:

Does IKH currently collect information and maintain external talent pool(s)?

If yes, from where are these talent pools sourced?

In your opinion, are these external talent pools utilized to maximum capacity in a strategic manner to fill key positions within the company? If not, how would you improve their utilization?

Do you feel that the current external talent pools are adequately sourced from different channels?

If not, from which additional sources IKH could begin collecting talent to its external talent pools?

If there currently are talent pools in use, are they segmented by different tasks and/or by talent required in the tasks?

Is the external talent pool(s) currently regularly engaged or contacted in some way?

If yes, in which ways?

If not, what could be possible ways the talent pools could be engaged in the future?

Do you feel, that maintaining and contacting talent pool(s) could be useful for IKH in the future?

Do you feel, that maintaining talent pools could help IKH achieve strategic advantage in recruitment processes?

Theme 3: IDENTIFYING TALENT

A talented employee is generally considered to be a high-performing individual, who brings particular value to an organization, who has high potential for producing value in the future, or who is successfully filling a critical role in the organization (Momtazian, 2021).

Professional and task related competencies can be further developed through training and guidance, however employees who are seen as top talent have some intrinsic features that elevate them as distinguishably high-performing employees, and these attributes may be more difficult to learn or develop. These features are related to the ability to solve problems, inner drive to excel at a task, self-direction, abilities in strategic thinking, and ability to take initiative. (Joubert, 2007, pp. 3-6.)

High-potential employees have the ability, agility, engagement, and aspiration to embark on more challenging roles, such as leadership, specialist, or other critical roles within the organization, when given the chance and room to grow and develop into these roles (Pacor, 2022).

Recognizing both, top talents and high-potential employees requires tracking, observing, measuring, and analysing. These activities can include annual, biannual, or quarterly performance reviews, personal observations, interviews and feedback, or the use of more systematic tracking tools. (Pacor, 2022.)

Is there currently a program(s) (tracking, measuring) in place for identifying top performing or high-potential employees?

If yes, what kind of programs?

If not, what kind of programs could be put in place to track and evaluate talent?

If an employee is performing poorly or insufficiently, what is IKH's policy? (Further developing and training, moving to different task, guiding out of the company, etc.)

Are there systematic structures in place for talented employees to move into more demanding tasks within the organization, i.e., talent pipelines?

Additional notes and comments on the subject of planning.

THEMATIC INTERVIEW 2: ATTRACTING

Date: 20.2.2023

Participants: HR Manager Minna Rajamäki, HR Specialist Anna Mäki-Kamppi, HR Assistant Anne Ryödi, and Marketing Manager Pauliina Hautamäki

Setting: Face-to-face group interview, duration three hours

Creating an attractive employer image is about communicating the opportunities and value a company can offer a candidate, while portraying the company in a realistic manner throughout its communications and the application process (Momtazian, 2021).

Talent attraction is closely tied to organizational culture. An organization that fosters transparency, collectivism, collaboration, trust, and respect in its operations embodies a desirable work environment for possible candidates. Authenticity must be kept in mind. Incorporating company values in all activities, committing top level management to HR operations, prioritizing high-performing organizational culture and fair and effective leadership operations, supporting collectivism while considering individual needs of development and growth, as well as enforcing a strong sense of purpose and belonging are crucial factors in creating an attractive employer organization. (Ready et al., 2014; Mosley & Barrow, 2014, p. 8.)

The notion of an attractive employer is dependent on the subjective view of an applicant of what they see as attractive, and what features they expect and respect in an employer. However, features considered universally positive can be emphasized through communications, and organic, intrinsic positive energy and spirit within the organization can be reinforced and conveyed outside the organization. Attraction should be systematically and deliberately created and managed through means of marketing; by employer branding and by formulating a compelling Employee Value Proposition. (Lawler, 2008, p. 68.)

Theme 1: EMPLOYER BRANDING

Creating and managing a strong and attractive employer brand is one of the key elements in attracting top talent and becoming a talent magnet. An employer brand is formed regardless of it being intentional or unintentional. An employer brand is not always a true representation of the company based on facts, nor is the brand image same for everyone. A large part of an employer brand will formulate according to individual interactions, experiences, and associations, as an employer brand is not separate from company's actions or its organizational culture. (Mosley & Barrow, 2014, pp. 4, 82.)

Employer branding aspires to influence and guide the general conception and reputation of the company as an employer in the eyes of current and potential employees. Employer branding should not be seen merely as advertising activities or recruitment campaigns, but a holistic approach to managing the narrative to both internal and external labour markets. (Mosley & Barrow, 2014, pp. 7-8; Daley, 2022.)

Building a strategically valuable, intentional employer brand is a long-term process that (1) begins from the foundation of the company; from specifying the purpose, i.e., the mission of the company, and the core values on which every aspect of the operations are based upon. When the company statement is clear and the purpose and goals are known, defining the type of talent needed in the talent pool, as well as specifying the target audience for employer branding, becomes more purposeful. (Daley, 2022.)

The second step in building an employer brand is (2) auditing the current employer brand to learn how target audiences view the company and what their experience has been so far. Auditing denotes going through different channels and styles of advertising and communicating to labour markets that might affect the formulation of an employer brand in the minds of the target audience. (Mosley & Barrow, 2014, p. 95; Daley, 2022.)

The final step in the employer branding strategy is (3) formulating the messages, tones, and channels in which this employer brand is going to be communicated to target audiences. The messaging is done to reinforce and steer the brand towards the wanted image and to reach and attract the targeted candidates from labour markets. (Mosley & Barrow, 2014, p. 95; Daley, 2022.)

Employer branding benefits from telling relatable stories, which help potential talents connect to the brand on an emotional level. Humanizing the brand, highlighting personal experiences of employees or applicants helps make the employer brand easily accessible, credible, and down to earth, and is far more effective and compelling than stating facts and numbers about the company. (Vikman, 2022.)

A current trend in employer branding is to encourage employees to operate as employee ambassadors and create inspirational content and promote a positive employer image in social media channels for a wider network. Employer branding should embrace the organizational culture and proudly promote it internally, as well as externally. A high-functioning organizational culture has the power to create a movement from inside. (Forbes Expert Panel, 2022; Mahony, 2022; Vikman, 2022.)

(1) CURRENT STATUS REVIEW AND ORGANIZATIONAL CULTURE

Are the company's mission (i.e., purpose, company statement) and values clearly worded, and are they communicated and/or specified to the personnel? Further, could it be argued, that the actions of IKH's personnel is based on this mission and company values?

Are the company goals and vision clearly communicated to the personnel, both on organizational level, as well as on departmental level?

In your opinion, what kind of organizational culture does IKH currently have? How would you describe the team spirit / social cohesion?

In your opinion, is the culture such that it would at best have potential to attract new talent to join IKH? If yes, how?

If no, how and to which direction IKH's organizational culture could be developed in, for it to serve both the internal and external employer brand image to its best potential?

(2) CURRENT EMPLOYER BRAND REVIEW

Generally speaking, what kind of communication occurs between current and potential employees at the moment? What communication channels are in use?

How would you describe the tone of communications between IKH and employees/potential employees in the following channels (e.g., official-relaxed, distinctive-impersonal, kind-indifferent, prominent-unnoticeable etc.)?

IKH's web page

Email messaging

Possible automated responses

Social media

Telephone / personal conversations

Other channels

Based on your own assessment and experience, as well as on possible feedback and conversations with employees and applicants, how would you evaluate IKH's current employer brand? What words would you use to describe it?

Do you know of, or have you encountered obvious misconceptions, falsehoods, or negative assumptions about IKH as an employer? If yes, what kind?

(3) DEVELOPING EMPLOYER BRAND

If you were given the opportunity to create and describe the best possible employer brand for IKH, what would it be like? Describe the "dream brand" for IKH as an employer.

Considering IKH's line of business, and according to your own experience, what type of employer are the top talents looking for, and what do they respect in an employer? What type of qualities must an organization have for it to be attractive?

Comparing your own assessments of IKH's current employer brand versus the "dream employer brand" you described above, what are the biggest differences or mistakes even, between those two? Which mistakes or differences could be corrected via branding communications?

Keeping in mind the most important potential applicant groups for IKH, what qualities would you consider to be most important assets in creating an attractive employer brand for IKH (list three to five qualities)?

Which channels would you see most important in creating and communicating IKH's employer brand? Do these channels exist at the moment, or would they need to be created/developed?

What kind of tone of voice would you consider to be best at reaching the interest of IKH's target applicant groups?

What kind of actions, stories, strengths, and/or messages could be used to create a positive and attractive employer brand for IKH?

Per your estimate and to be discussed, what would be the best means to reach the dream employer brand image? What needs to happen, for the image to become reality? Does the current organizational culture support this dream image? (Authenticity)

Theme 2: EMPLOYEE VALUE PROPOSITION (EVP)

Employee Value Proposition (EVP) answers the question ‘Why would smart, energetic, ambitious, talented individuals want to work here?’ (Chambers et al., 1998, p. 46).



Employee Value Proposition (adapted from Trost, 2020)

An EVP, also called a People Promise, is a statement that summarizes the most important components of a company’s employment offer, while conveying the spirit of the company. An EVP clarifies what can be expected from the company as an employer, as well as what is expected from an employee as part of the organization. An EVP can be viewed from the marketing perspective as branding the ‘product’, i.e., the job offer, and stating the defining qualities the employer wants to be known for. (Mosley & Barrow, 2014, pp. 4, 7, 139; Daley, 2022.)

An EVP should be formulated based on the company’s purpose and values for it to be transparent and authentic, and the promises made should be kept through the entire employee experience. It needs to capture the attention of the right talent, and inform the advantages and value offered. (Chambers et al., 1998, p. 51; Mosley & Barrow, 2014, pp. 7-9, 139.)

The core strengths and value offering need to be studied to gain an understanding of features that should be emphasized, and understanding which factors differentiate the organization positively from its competitors as an employer. The target group, or the employees and top talent the organization wants to attract, also need to be studied in order to find out key features of an attracting employer for this group. (Trost, 2020.)

Developing and executing an EVP can be divided into three sections which together help form and execute the statement. (Mosley & Barrow, 2014, pp. 124-125.)

- 1) Core positioning: defining the one aspect the organization wants to be known for as an employer, the compelling essence of the company's value proposition, and the one idea the employer brand will be built around,
- 2) Pillars: defining three to five most important qualities the organization wants to be associated with as an employer, which define and connect the key benefits given to employees and shape the employer brands communication themes, and
- 3) Tailored marketing content and activities: the actualization and communication of the EVP in different channels.

An EVP cannot be everything for everyone, and the company has to decide its priorities of what type of talent it wants to attract and how to do so. It is about finding the perfect balance between monetary and non-monetary value propositions when directed at the target audience. (Mosley & Barrow, 2014, pp. 7-9.)

What is the most important core aspect, for which

- (1) IKH as an organization and as an employer wants to be known for,
- (2) the employer brand in its entirety can be based and built upon, and
- (3) differentiates IKH from its competitors (in the employer markets, i.e., not necessarily companies in the same field as IKH)?

Define three to five most important pillars/qualities around this core aspect, to which

- (1) IKH wants to be associated as an employer,
- (2) the themes of employer brand communications can be built around,
- (3) and which specify and summarise the most important features IKH has to offer its potential applicants?

Based on these, how could IKH's Employer Value Proposition be worded and communicated to target group(s), and in which channels (if possible, to produce during this interview/workshop)?

Additional notes and comments on the subject of attracting.

THEMATIC INTERVIEW 3: DEVELOPING

Date: 20.2.2023

Participants: HR Manager Minna Rajamäki, HR Specialist Anna Mäki-Kamppi, and HR Assistant Anne Ryödi

Setting: Face-to-face group interview, duration one and a half hours

Developing internal talent offers an organization room to grow from within and avoid having to result to outside hire each time a position opens up. Development programs and opportunities have the potential to engage employees, spark excitement, and maintain motivation, and make employees feel appreciated by enabling professional development, and by opening new career pathways. (Chambers et al., 1998, p. 56.)

Development occurs when an organization offers employees experiences and opportunities outside their customary position, enabling learning new skills and competencies, while gaining confidence in executing more demanding tasks. I.e., the organization can offer the structures and processes for development, but ultimately it depends on the employee's own activity and willingness to grow to a new higher-level task. (Hunt, 2014, pp. 249-250.)

The company's strategic goals and visions define the type of talent and competence needed in the future. Therefore, developing also requires planning and forecasting, as well as measuring and analysing the current status of employee competence. Examining the current type and level of knowledge and skills help companies understand the gaps between existing competencies and future requirements needed to fulfil organizational strategies. Future forecasting also gives indication on how to grow the talent pool. (Collings 2021.)

Developing is an ongoing process of evaluating current competencies, planning of skills that are considered important enough to be developed and invested in, determining the type of talent needed to be recruited or developed from internal talent pools, and uncovering activities that are non-essential and not to be developed further. Line managers have an important role in identifying and evaluating high-potential talent, connecting talent to company's strategic goals, and encouraging employee development as part of a progressive career path. (Joki, 2018, pp. 142-144; Viitala, 2021.)

Theme 1: DEVELOPMENT STRATEGIES

Talent development consists of four elements (Hunt, 2014, pp. 252-254)

- (1) talent requirements (the skills, efficacy, and knowledge needed in the future)
- (2) learning objectives (the skills, abilities, and knowledge needed to be acquired for the employees to meet the talent requirements)
- (3) development methods (listed below)
- (4) development programs (set of development methods and activities companies choose to utilize in order to achieve wanted learning objectives and ultimately answer to talent requirements)

Development methods are the procedures which will help employees achieve the learning objectives, and there are six main categories, which are explained below (Hunt, 2014, pp. 253-254; Viitala 2021)

- (1) succession management,
- (2) career planning,
- (3) training resources,
- (4) social learning,
- (5) assessment measures, and
- (6) transition management

In succession management, identifying high-performing talent is critical in order for these employees to be developed, engaged and retained, and for them to rise into their new roles. For identifying and evaluating talent companies can use tools such as job rotation programs, leadership development programs, and high-potential identification.

Career planning method takes employees' own goals and aspirations into consideration in their professional development and aims to involve these employees in programs that help them achieve their goals.

Training resources includes providing employees with specific training or knowledge needed either in current role or in planned future role.

Social learning includes building relationships with peers or senior employees for guidance and information sharing.

Assessment measures provide employees self-awareness of their strengths and development objectives. Assessments can include annual or bi-annual discussions, evaluations by closest superior, or 360-evaluations.

Transition management, much like succession management, strives to adapt employees efficiently into new roles by providing sufficient information and networks.

Techniques used to develop employee competencies are assigning employees to new roles which offer new learning experiences, creating relationships where employees are learning from each other, and providing adequate resources and supportive environment for learning (Hunt, 2014, p. 252) or proactive job assigning by identifying high-performing or high-potential employees early in their career and placing them in positions with higher responsibilities before they expect it (Chambers et al., 1998, p. 55).

Considering IKH's future goals and visions, what kind of talent requirements can be seen arising in the future (within one to five years)?

Reflecting on these talent requirements, what kind of learning objectives they set for the personnel?

Reflecting on the key positions identified in the first interview, what type of learning and developing needs can be seen regarding these positions in the future (e.g., management level roles, expert roles, and other roles that are strategically important for the business)?

Is the personnel's level of talent and know-how, potential subjects of professional interest, and/or level of development systematically tracked or studied? If yes, how?

If the above-mentioned studies/tracking are not currently being made, would you see a need for them? How could they be executed to support future development of employees? If seen necessary, what kind of processes or tools could be utilized?

How does IKH as an organization view the subject of employee development and training (e.g., is it seen valuable or unnecessary, is it being invested financially in)? In which direction training and development can be seen moving in the future? Does IKH proactively develop its personnel by e.g., suggesting its high-potential or high-performing talents new career paths or training and education opportunities?

Which, if any, of the six development methods mentioned in the theoretical part IKH currently has in use? Please also mention if other methods are in use outside of this list.

Are there some methods in this list that are not currently in use, but could be utilized in the future to meet new talent requirements?

In your opinion, what kind of collection of different development methods could work best for IKH's talent development strategy?

What is the current role of managers and supervisors (in each level) in the development path of an employee? How could managers and supervisors be utilized even more effectively in developing talent within the organization?

Theme 2: CAREER PATHWAYS

Internal employee career development enables in-house talent to become aware of their future opportunities within the organization and motivates employees to work towards new professional challenges. Career pathways can be discussed, developed, and supported by job rotation, substitution practices, and annual discussions. (Viitala, 2021.)

Career planning enables internal mobility within the organization both vertically and laterally. Top talent employees benefit from career planning as they can see development opportunities and career advancements as a reward for work well done, thus it is also important to communicate future career possibilities for high-potential employees. (Viitala, 2021.)

Are career pathways actively in use at IKH? If yes, how? (E.g., some commonly used ways of utilizing and supporting career pathways are job rotation, substitute practices, annual discussions, or utilizing a technique mentioned in the theoretical part of assigning an employee to a more demanding task, before they feel they are ready for it).

To what extent would you say creating pathways is possible at an organization of IKH's size? (In the time of writing, IKH has about 450 employees within the whole organization.)

Per your assessment, what kind of positive or negative aspects career pathway practices could cause within the organization?

Could the practice of creating career pathways be brought as a permanent part of talent development strategy? (E.g., by offering and presenting ready-made career path models, or by proactively approaching talented employees and offering them an opportunity to an appealing career pathway).

Additional notes and comments on the subject of developing.

THEMATIC INTERVIEW**4: RETAINING**

Date: 27.2.2023

Participants: HR Manager Minna Rajamäki, HR Specialist Anna Mäki-Kamppi, and HR Assistant Anne Ryödi

Setting: Face-to-face group interview, duration one and a half hours

Employee retention refers to a set of HR practices aiming to keep current employees employed within the company. The focus is especially on retaining top talent and high-potential employees, employees in key positions, and employees working in positions where replacements are difficult to find. (Bhattacharyya, 2015, p. 119.)

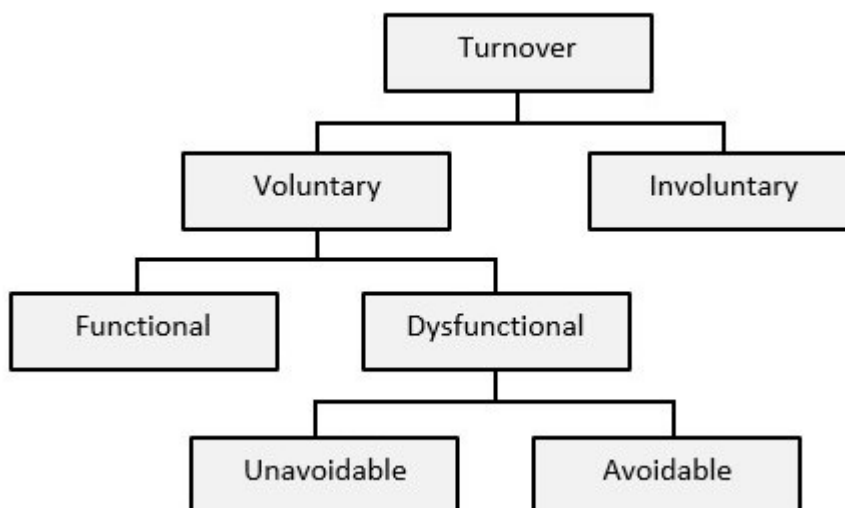
Talent retention is a multifaceted function, and it is strongly impacted by subjects discussed earlier in this study: talent planning by situating the right talent in fitting positions; talent attraction by creating a truthful and engaging employer brand and EVP, and; developing existing talent and offering opportunities for growth and future career advancements. Retaining the right talent is a key factor in sustaining high level of operations and achieving growth. (Bhattacharyya, 2015, p. 120.)

It is projected that due to demographic shifts in population (aging, declining birth rates), social evolution and prevailing labour trends (e.g., valuing personal life over building a career), and inadequate educational programs, labour markets are facing a shortage of talent in coming years. Especially finding motivated and capable employees with specific skillsets can become difficult in the future, at the same time as large age groups are transitioning into retirement. As talent is becoming scarce, companies that are now investing in top talent attraction, talent development, and retention activities can achieve competitive advantage over their competition. (Allen, 2008, pp. 4-5.)

Theme 1: EMPLOYEE TURNOVER

Employee turnover rate is an effective way to monitor how many employees leave the company in general, although it does not give any indications to why and from which positions employees are leaving (Allen, 2008, p. 2).

Moderate turnover is welcomed, as it can bring new knowledge and refresh thinking to a degree. The acceptable level of turnover is dependent on the size and field of the company. In addition, turnover within different functions of a company can be prioritized according to their importance for overall operations. (Viitala, 2021.) A high employee turnover can reflect on employer brand, making new talent hesitant to join the organization, as current talent is reluctant to stay (Bhattacharyya, 2015, p. 121).



Employee turnover classification model (adapted from Allen, 2008, p. 2)

Employee turnover can be divided into two main categories: voluntary and involuntary turnover. The voluntary turnover is divided into functional and dysfunctional turnover. Dysfunctional voluntary turnover is harmful for the company, and it is used to describe situations where top talents, high-potential performers, people with specific requirement positions, and minority group representatives decide to leave the company. In these cases, the organization is left vulnerable, the diversity of personnel suffers, and filling the positions can be difficult and costly. (Allen, 2008, pp. 2-3.)

As the reasons for voluntary turnover are manifold, it is important to understand exactly why employees are leaving the company, to what extent this turnover is dysfunctional for the company, and more importantly, if some of this dysfunctional turnover is avoidable. Avoidable reasons are those in which the company can have influence, for example improving leadership operations, organization's atmosphere, or working conditions. (Allen, 2008, pp. 2-3.)

Finding out the scope of employee turnover, and the root causes of why talented employees are leaving the company is crucial in solving the problems and retaining talent in the future. Information of these factors can be collected using different strategies. These include conducting exit interviews and post-exit surveys to find out specific reasons for leaving; current-employee focus groups offer information on why people would stay with the organization, or if they are considering leaving the company for some reason; linkage research utilizes anonymous surveys to measure attitudes and opinions of current employees; predictive turnover studies, where previous survey responses are compared to later statistics of which employees have left and who have stayed and why; and in-depth qualitative studies to uncover deeper reasoning behind employee turnover. (Allen, 2008, pp. 3, 11-17.)

If known, what is IKH's employee turnover rate?

And if known;

Is the turnover rate in strategically important functions or positions at a manageable/reasonable level?

Does the employee turnover currently cause issues specifically on some departments or functions?

Are the reasons for employee turnover systematically examined or documented? (E.g., according to the figure; voluntary, functional, etc.). If examined, how?

To understand the reasons behind employee turnover, are some of these methods currently in use:

Exit interviews

Post-exit surveys

Current employee focus groups

Linkage researches

Predictive turnover studies

In-depth qualitative studies

If the reasons behind employee turnover are not currently being systematically studied, would you see any advantage in using one or many of the above-mentioned methods to understand the causes behind employee turnover in the future?

If the reasons are currently being studied, or if it is known, what kind of reasons can be found behind voluntary employee turnover? How are these reasons being addressed, and are the matters systematically being dealt with or improved (specifically on dysfunctional voluntary turnover)? If yes, how?

Theme 2: EMPLOYEE RETENTION STRATEGIES

While identifying employee turnover and reasons why people leave is highly important, talent retention practices and strategies should not only be reactive to these issues, but proactive in nature. These practices should ensure the well-being and positive development of employees anticipatorily, and in this way, they contribute to a high-functioning organizational culture, and operate as leverage for the employer brand. (Crail, 2022.)

Allen (2008, pp. 21-26) states there are seven key practices a company should especially focus on in its talent retention activities.

- 1) A thorough recruitment process
- 2) Utilizing the selection process as a retention activity
- 3) Socialization
- 4) Training and development
- 5) Compensation and rewards
- 6) High-functioning and fair management operations
- 7) Employee engagement

High-functioning organizational culture, trust, and a participatory atmosphere are key factors in creating high-level commitment (Viitala, 2021).

Are some of the above-mentioned retention activities in active use, and if so, which one(s)?

Are there some retention strategies mentioned above, which are currently not in use, but would have potential to benefit IKH in the future? If so, which one(s)?

What would you name to be IKH's strengths in retaining employees? What features could be emphasized and reinforced in the future from retention point of view?

Which, by contrast, could be considered as IKH's weaknesses that should and could be developed in the future?

Additional notes and comments on the subject of retention.

THEMATIC INTERVIEW 5: TRANSITIONING

Date: 27.2.2023

Participants: HR Manager Minna Rajamäki, HR Specialist Anna Mäki-Kamppi, and HR Assistant Anne Ryödi

Setting: Face-to-face group interview, duration one hour

In the context of talent management, transitioning includes internal mobility and career pathways, where employees develop their skills and knowledge, and move on to more challenging tasks vertically within the company by means of promotions, or employees move horizontally to different positions through role changes, redeployments, or transfers depending on their skills, personal interests, and aspirations. Transitioning also includes succession management activities and exit processes for retiring employees and employees who choose to leave the company for different reasons. (Momtazian, 2021; Viitala, 2021.)

Theme 1: SUCCESSION MANAGEMENT

Succession management is not only replacement planning, but a more holistic practice interrelated with other elements of talent management, such as identification of key positions and talent, building sufficient talent pools for future needs, developing employees for new roles, and retaining top talent within the company. Succession management becomes more prominent on top managerial levels and in key positions of the company. Regarding these positions, succession management can be seen as a systematic, long-term approach in ensuring the high performance of the organization by identifying and providing current, high-potential employees' development opportunities for new positions. Succession management considers the resources and abilities of the existing talent pool while forecasting future needs of the company with respect to its strategies. (Berke, 2005, pp. 2-3.)

Succession management requires the commitment from all management levels, as building intentional talent pipelines from within the internal talent pool benefits the company in the long run (Charan, 2008, pp. 9-10).

Having high-performing prospective candidates ready for top positions shortens recruitment times and saves company resources, while retaining top talent within the company (Charan, 2008, pp. 9-10). An effective successor plan ensures pivotal knowledge and task related experience transferal to successors, thus important information is retained within the company (Muthusamy, 2018, p. 30).

When considering succession management in an organization, the needs and objectives for the succession process should be taken into account.

- 1) First, a reviewing process of the organization's current situation regarding successors; what issues or risks the company could be facing currently or in the near future due to lack of ready successors to key positions
- 2) Next, the ideal situation of succession management should be laid out; how the succession process should be governed, what benefits and results should be gained from these practices, how will they be measured, and what are the roles and responsibilities of different actors in the process.
- 3) Finally, a succession management process can be formulated on a high level; what actions should be taken to achieve the desired ideal situation, what is the timeframe for these activities, and which operators these activities concern in the organization. (Muthusamy, 2018, pp. 25-28, 61-63.)

Succession management process is closely related to identifying potential talent using different assessment tools, such as employee performance reviews and competence assessments, which offer insight on which employees possess potential and could be developed further through various development strategies. Employees can be divided into different categories based on their readiness and development potential as potential successors. (Muthusamy, 2018, pp. 9-11.)

- 1) Emergency successor
- 2) A ready-now successor
- 3) Ready in one-to-two years successor
- 4) Ready in two-to-three years
- 5) No successors available
- 6) No longer necessary

Does IKH have a systematic succession plan or program which covers the whole organization?

If yes, what kind of a plan or program?

If no, what kind of succession plan could be put in place within the next one to three years?

Does IKH systematically identify different successor types or does IKH categorize its potential successors, e.g., as written above in theoretical part (points 1-6)?

Theme 2: EMPLOYEE EXIT PROCESS

The last phase in the employee life cycle, separation, has great potential for generating organizational growth, development, improvements, and even employee retention by providing important insight of internal processes and performances (Spain & Groysberg, 2016).

A well-handled exit process has the potential to give the departing employee a positive last impression of the company and ensure they spread a positive word-of-mouth after departure, which in return reaffirms the desired employer brand. Spain & Groysberg (2016) refer to these 'happy leavers' as corporate ambassadors for many years to come. A thoughtful and attentive exit process shows the departing employee that the company cares about them and values their opinions and experiences, thus making it easier and more tempting to possibly return to the company in the future or recommend the company for other potential applicants. (Spain & Groysberg, 2016; Verlinde, 2022.)

An exit interview is used to collect data and feedback on reasons why the employee decided to leave the company, where the company succeeded in and where it failed, what the employee would change in processes and practices, and how did they experience the atmosphere, organizational culture, and the leadership activities within the company. When used as a strategic tool, it is beneficial also to collect information of where the employee is transferring to and why, and what are their views on the organization's other functions unrelated to their own job description. This way the interview can spark new innovative ideas and views, benchmark on competition on where they excel, as well as uncover existing challenges and opportunities currently unknown for management. (Allen, 2008, pp. 16-17.)

The interview can be held as a structured, semi-structured, or unstructured face-to-face interview, a questionnaire, or a survey before the departing employee has left the company. The interview is normally conducted by the employee's second- or third-in-line manager. It is not beneficial for the interview to be conducted by the employees' direct supervisor, as it tends to make them reluctant to speak their mind and soften possible negative experiences while highlighting the positive aspects. Especially in high turnover departments, it is important to gain truthful and realistic answers, even if they are not all positive. (Allen, 2008, pp. 16-17; Spain & Groysberg, 2016.)

The data collected from the interviews need to be analysed, the results should be shared with senior decision makers, and follow-up actions should be made accordingly. The effectiveness of exit interview practices should be measured by the positive changes and actions they have generated within the organization. The issues and matters arising from exit conversations should act as a basis for ongoing conversations with current employees as an effective retention measure. (Spain & Groysberg, 2016.)

In addition to an exit interview held prior to an employee departing, a post-exit survey is a great way to keep in touch with company alumni's and possibly learn more about the employee experience, after some time has passed and the experience can be viewed more objectively (Allen, 2008, p. 17).

Keeping in touch with former employees through different networks, for example congratulating them on new achievements, sending newsletters about the company's advancements, or creating a specific company alumni network are great ways of keeping the organization in the minds of former employees. (Maurer, 2016.)

Are exit interviews being performed at IKH? If yes, how?

Does IKH conduct post-exit surveys? If yes, how?

Does IKH keep in contact with former employees? If yes, how?

If not performed, could IKH benefit from a system of some type of exit process survey (as discussed in previous interview regarding employee turnover)?

If performed, is the information from the exit or post-exit interviews/surveys documented, analysed, or utilized in some ways? If yes, how?

If not utilized, what type of information and how could it be collected, stored, and analysed, so that it would benefit future development?

Additional notes and comments on the subject of transitioning.