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Abstract

In the shift towards a knowledge-based economy, human capital and skilled workers are pivotal drivers, necessitating a holistic talent management approach covering acquisition, retention, and development. Despite interest, research often focuses on practical aspects, neglecting theoretical frameworks. Talent management success relies on three elements: acquisition, retention, and development. This study critically analyzes talent management functions, including acquisition, selection, retention, and development, and their intersection with employer branding and HR expectations. Aligning talent strategies with broader organizational goals offers insights for practitioners, researchers, and policymakers. The comprehensive methodology used in this review ensures diverse perspectives, enhancing understanding of talent management literature. Based on the findings of the study, it was observed that the effective implementation of talent management practices is crucial for organizational success across various dimensions. These dimensions include increased productivity, strengthened reputation, improved brand equity, and the achievement of competitive advantages.

Keywords: Employer Branding, Human Capital, Knowledge-Based Economy, Talent Management, Ulrich Formula

1. Introduction

Human capital and talented workers play a crucial role as key drivers in a knowledge-based economy. Their imperative role in knowledge sharing or transferring necessitates proper acquisition, selection, development, and, more importantly, retention within the business. This managing process, encompassing talent acquisition, retention, and development, is encapsulated in talent management. While not an entirely new concept, existing studies have predominantly focused on the practical perspectives of talent management issues. Despite recent heightened interest from researchers, the literature still lacks some theoretical models and frameworks to define talent management terminologies or approaches (Niejs, Gallardo, Dries, & Seles, 2014; Meyers & Woerkm, 2014; Lewies & Heackman, 2006).

The achievement of talent management goals relies on three interrelated elements: talent acquisition, retention, and talent development (Mujtaba & Mubarik, 2022; Watkins, 2013). As the initial and crucial phase, talent acquisition involves employing skilled individuals. In the talent attraction stage, companies seek individuals with all the necessary role-specific characteristics while considering staff opportunities for future growth and professional development. Employee brand, a concept where organizations with a

unique brand attract talent, is crucial in this phase. Subsequently, talent needs to be further developed by providing career and skill-enhancement opportunities to talented employees. Finally, the hunted and developed talent becomes an organizational investment, and as such, it needs to be retained; otherwise, the organization will lose valuable talent, resulting in direct and indirect adverse effects on the organization's financial position and employees' perception of its image.

Talent management practices significantly enhance businesses by increasing capacities, elevating productivity, and providing a competitive advantage through a well-defined talent acquisition, retention, and development strategy. In line with this, Din and Hejratullah (2017) stated that companies' investment and market-to-book ratios have exponentially increased by 33% and 35.5%, respectively. This exponential growth underscores the significance of talent management practices in companies. The mentioned percentage changes due to talent management practices indicate that companies are consistently leveraging these mechanisms to maximize profits.

Furthermore, the importance of adopting flexible talent management practices has become increasingly recognized, especially in the context of the COVID-19 pandemic. This crisis has underscored the need for organizations to swiftly adapt to changing customer and market demands (Lazarova et al., 2023; Vaiman et al., 2021). Given the global turmoil and disruptive transformations in the workplace, reconfiguring talent strategies and reallocating resources presents significant challenges (Collings et al., 2019; Reiche et al., 2019; Farndale et al., 2021). Thus, this literature review aims to delve into the intricacies of talent management, exploring its fundamental concepts and key components. Special attention is given to the Ulrich Formula of 3 C's, which provides a framework for understanding talent management in alignment with organizational objectives. The study systematically examines the primary functions of talent management, dissecting the processes of acquisition, attraction, selection, retention, and development. Furthermore, it investigates the intersection of talent management with employer branding and its integration with HR need expectancy.

Through a critical lens, the review seeks to enhance understanding of how talent management strategies, including acquisition, retention, and development, align with broader organizational goals. Ultimately, the study aspires to offer valuable insights for practitioners, researchers, and policymakers engaged in talent management.

2. Review of Literature

2.1 Talent Management

Talent management, which prioritizes nurturing existing and potential talent pools, remains a cornerstone of organizational human resource (HR) strategies (Cascio & Boudreau, 2016; Collings et al., 2019). The uniqueness inherent in human capital, particularly in talent, is evident and provides organizations with a significant advantage over others. Consequently, for organizations aspiring to achieve a competitive edge, investing in human capital emerges as a proactive strategy to gain superior leverage over their rivals (Aguinis, Gottfredson & Joo, 2012; Holland, Sheehan & De Cieri, 2007).

The term "talent management" has been examined from various perspectives in the current literature. Initially introduced into research literature a couple of decades ago, its emergence was motivated by the desire to advance and develop workers' contributions and value creation in the business environment. Collings and Mellahi (2009) characterize talent management as a procedure designed to identify key positions that substantially

contribute to value creation and serve as a means of a firm's comparative advantage. It involves acquiring and developing talented employees from a pool of candidates, ensuring these employees are committed to the organization's success.

As the economy shifts from an industry-based to a knowledge-based one, organizations need to recognize the exponential outcomes of knowledge in organizational practices. Therefore, the strategic goal of today's companies should be to realize the significance of acquiring the best talents. Given the unique abilities of humans, who are limited in numbers, a selected few within organizations may be considered talented (Aguinis et al., 2012). What sets them apart is their competency, commitment, and contribution to knowledge, which are integral to organizational success and prosperity. Consequently, as knowledgeable employees are relatively scarce in the market, organizations should shift their focus toward identifying more knowledge workers to sustain their vision (Holcombe-Ehrhart & Ziegert, 2005; Aguinis et al., 2012; Tarique & Schuler, 2010).

Continuing from the above definition, Pandita and Ray (2018) emphasize that an essential indicator of a worker's commitment and devotion to the organization is attributed to talent management. According to Watkins (2013), the core principles of talent management encompass the acquisition, retention, and development of able, innovative, and talented workers, ensuring that these individuals create value and contribute as intellectual capital for organizations.

Furthermore, talent management holds several meanings, influenced by disciplinary differences and a lack of consensus among research scholars. Juneja (2018) suggests that talent management involves initiating, organizing, and controlling the talent, expertise, qualities, and skills of employees, who are considered intellectual assets of the organization. In brief, it addresses talent-related issues, including acquisition, maintenance, and further advancement.

Scholars sometimes view talent management as a polished term for HRM practices, while others consider it a value-added form of human resource management. Supporting this claim, Buyens (2012) believes that the role of talent management in human resource management is similar to the relationship between marketing and sales or the interdependency of finance and accounting. This does not imply that talent management is entirely new to organizations. However, it represents a new form of HRM that was introduced due to the paradigm shift from an industry-based economy to a knowledge-based era of businesses.

Talent management emphasizes the amount of talent the business currently possesses and how to manage it to serve as a source of differentiation among competitors. It also highlights how to utilize talent to contribute towards value creation for multiple stakeholders. Organizations seeking the effectiveness of a talent management strategy must address these questions. Importantly, these responses are effective for organizations that recognize talent management as a strategic direction for their business.

Furthermore, organizations achieve sustainability when their talent management practices align with the ideal level of talent realization. Din and Hejratullah (2017) highlight the exponential growth of 33% and 35.5% in the ratio of investment and market-to-book ratio for companies, underscoring the significance of talent management practices. The mentioned percentage changes due to talent management practices demonstrate that companies consistently push through talent management mechanisms toward more profit maximization. A study by Kerse and Babadag (2018) indicates that retaining current talented staff in the hotel industry is particularly important, especially

when hotel management avoids selective behaviour or when redesigning or expanding job roles.

On the other hand, while talent management offers certain positive outcomes, designing and implementing a decent talent management mechanism is not simple; it requires imperative struggles and can occasionally become a daunting challenge for top managers, as Mochowa and Mwangi (2013) reported. Similarly, Cappelli (2008) shares the view that the failure to have a systematic talent management strategy for business designates the darker side of organizational productivity and future status. Recovering from such failures consistently becomes a challenge for top managers.

Irrespective of the country, talent management is evolving into a global challenge for all types of organizations (Gardner, 2012). The issue of the rarity of talented employees also presents a kind of tension for businesses. According to Stahl et al. (2007), global businesses face the same tension in finding the best talents, as they all seek individuals with unique talents across the globe. Consequently, organizations strive to adopt both international and local frameworks and practices of talent management to hunt for the best talent.

Moreover, talent management extends beyond activities conducted by human resource management in recruiting talented employees. It encompasses talent and all the unrevealed potential of employees, such as job-related competence and skills, and incorporates the further enhancement of their potential and experiences. This implies that a talent manager must recognize the strength of their talented employees because unique talents and skills may emerge, significantly contributing to the organization's efficiency, particularly in terms of performance. Additionally, a crucial duty of the talent manager is to keep the inflow of talented employees sustainable and aligned with the business strategy. Overall, considering multiple aspects of human capital can guarantee the success of a business through effective talent management policies and practices, as suggested by Juneja (2018).

2.2 Talent Management and Ulrich Formula of Three C's

As unique creations with inherent talent qualities, human beings contribute to value creation through human, structural, or relational capital, embodying qualities that define talent. The term "talent" explicitly denotes the knowledge, aptitude, expertise, capacity, and other job-related competencies of workers, whether currently utilized or reserved for future roles, as asserted by Armstrong (2012) and CIPD (2015).

Dave Ulrich, a seminal author and professor of talent management, has devised an equation encapsulating the integral components of talent, represented by Competence, Contribution, and Commitment. This formula is expressed as $\text{Talent} = \text{Competence} \times \text{contribution} \times \text{commitment}$, where competence encompasses the prerequisite know-how, including experience, ability, aptitude, and technical or conceptual skills required for a specific role, as Ulrich (2011) and Hoffmann (1999) highlighted. Competence also involves the combination of skills and abilities, including hidden or embedded qualities that are essential for the position.

However, as noted by Smallwood and Ulrich (2011), competence alone is insufficient to impact performance significantly; it must be complemented by commitment and contribution to the job and organization. Commitment, the second crucial aspect of talent management, focuses on the employee's dedication to the job, employer, and organization. Defined by Cambridge Dictionary (n.d.) as the readiness to invest energy

and time in a task one believes in, commitment is integral for creating positive performance outcomes and value for businesses as a whole. Ulrich and Smallwood (2011) emphasize that employees with high competencies and work experience may not positively impact organizational performance if they lack commitment. Committed employees organize their duties efficiently, aligning with time requirements to enhance job efficiency.

In conjunction with employees' competence, skills, abilities, and aptitude, and beyond thorough commitment to the job and working environment, another essential and result-oriented factor is contribution. Buyens (2012) posits that contribution becomes visible when organizations seek to measure and evaluate the value creation process and each employee's contribution to the value chain. Essentially, contribution is what an employee must achieve through the application of competence and commitment, representing the organization's pursuit of profit through performance. Ulrich and Smallwood (2011) argue that contribution comes to fruition when workers recognize their importance to the organization, identify their strengths, and apply those strengths positively for value creation.

Furthermore, organizations strategically invest in human capital to enhance employee competence, commitment, and contribution. This symbiotic relationship becomes a "give and take" situation, influencing the return on investment and market-to-book ratio. As emphasized by Ulrich and Smallwood (2011), competence is akin to the duty of the brain (having the ability to do), commitment represents the hands and feet (being heartened to do), and contribution implies being the holder of hands and feet (having actuality to do). These three essential C's are interrelated and isolated; none of them can create value. In talent acquisition, it is crucial to consider all these qualities simultaneously for a fruitful result and the overall performance of the business. Each of the three C's is irreplaceable, and their concurrent utilization is imperative for an effective value-creation mission.

2.3 Main Functions of Talent Management

Talent management is fundamentally a process of integrated activities that address issues pertinent to the talent and expertise of workers in organizations. This encompasses talent attraction, talent development, and, ultimately, the retention and maintenance of that talent within the organizational boundaries. To systematically explore each of these functions, talent-related issues are discussed in the following sub-headings:

2.3.1 Talent Acquisition/Attraction/ and Selection

In the knowledge-based era of businesses, corporations that view talent management practices as a strategic direction are resolute in attracting and retaining more talented employees. Madeline (2013) suggests that talent acquisition is now a strategic initiative for companies, directly influencing organizational productivity and overall performance. To align with existing systems and policies, organizations need substantial efforts to attract talents into businesses for the desired performance of the overall business and, particularly, individual talented employees. On the other hand, Scullion and Collings (2006) suggest that companies globally face the significant challenge of finding skilful and talented workers. Similarly, Huselid, Becker, and Beatty (2009) and Guthridge, Komm, and Lawson (2008) conclude that talent serves as a distinctive and competitive tool for domestic and international companies to showcase their leading role in the market. Organizations should utilize multiple procedures and techniques if they want to have more qualified and talented workers, and they should consider the importance of talent acquisition and selection while filling a vacant position, as Armstrong (2006) suggested.

Talent acquisition is the first and imperatively significant stage with indications of future success or failure. Furthermore, if the talent attraction process is done with complete care, the business will have a successful future in terms of productivity; otherwise, it will become an intellectual liability for the business.

Two ways are available for talent attraction: internal and external methods of acquiring talent. Internally uplifting current employees and externally acquiring talent from outside the organization to find job-fit candidates for vacant positions are both viable strategies. According to Armstrong (2006) and Davis, Cutt, Flynn, and Mowl (2016), internal recruitment of talent is cost-effective, current employees are already socialized with the organization's culture, mission, and vision, and it boosts the morale of existing employees as they feel valued for being promoted to higher positions.

Moreover, companies aiming to acquire talented workers and maintain well-qualified personnel should design and implement effective talent management procedures and policies. Badugu (2017) emphasizes that talent acquisition is a meticulous procedure involving the identification and recruitment of committed and compatible candidates from a large pool of talents, contributing to organizational performance and meeting company objectives. The growth and image-building of organizations are heavily reliant on effective talent management strategies. Considering employees' needs and satisfaction, organizations should invest in human capital by providing career and learning opportunities to differentiate the business from competitors. Consequently, Badugu (2017) suggests that investing in human capital can collectively lead any business toward the desired results.

In a more practical sense, talent acquisition is a series of interrelated actions conducted for the attraction, generation, evaluation, and selection of potential incumbents that assist businesses in achieving organizational goals (Kumudha & Priyadarshini, 2016). Every individual employee with talent is an intellectual asset for the business, creating a pool of experts, knowledge, and skills that collectively form talent-based human capital for the organization, as stated by Kumudha and Priyadarshini (2016). Talent is an imperative indicator of organizational success; therefore, careful implementation of talent attraction strategies is necessary for companies to ensure the ideal balance of talent through recruitment, attraction, and retention of talented workers.

Moreover, with a plethora of employment opportunities available, companies are shifting their focus from common workers to talented employees. Supporting this perspective, Wated and Sanchez (2014) assert that the significant increase in job opportunities in the labour market has heightened the interest of human resource and talent managers in finding the best-fit candidates from a large pool of applicants. In this context, the likelihood of hiring a well-talented employee is higher. However, it is crucial to recognize that selected employees require motivation and development and expect certain benefits from their employers. Therefore, firms should consider keeping such employees within the organizational boundaries.

Furthermore, companies not only recognize the value of recruiting talented employees but also emphasize the motivation and satisfaction of existing talented employees to retain them within the business. This holistic approach ensures that organizations not only attract top talent but also cultivate an environment that nurtures and sustains the talents they already have.

2.3.2 Talent Retention

In this knowledge-based era of businesses, effective talent utilization in organizations necessitates the retention of talented employees. Yildiz and Esmer's (2023) content analysis revealed that between 2006 and July 2022, talent retention strategies were the most discussed topic within the field, followed by talent planning and talent development strategies. According to Ott, Tolentino, and Michailova (2018), talent retention is a strategy employed to prevent employees from developing turnover intentions. The departure of employees incurs both direct and indirect costs, including recruitment and selection expenses and the potential loss of special talents, skills, competencies, and socialized capital. Consequently, the organization may fail to achieve its vision of competitive advantage if talented employees with specific skills and knowledge choose to leave.

According to Watkins (2013), the core concepts of talent management revolve around the acquisition, retention, and development of capable, innovative, and talented workers to ensure that these individuals not only create value but also contribute intellectual capital to organizations. Furthermore, the meaning of talent management varies across disciplines, leading to a lack of consensus among research scholars. Govaerts, Kyndt, Dochy, and Baert (2011) suggest that, in the current competitive war for talent, companies find it effective to avoid turnover by retaining talented workers. Paille (2011) adds that over 20% of publicly quoted corporations are implementing proper retention mechanisms to prevent the loss of talented employees. Failing to establish a suitable talent retention policy in firms can increase the intention of employees to leave the organization, negatively impacting the overall financial strength of businesses globally. Companies face not only direct costs associated with employee turnover but also indirect costs related to organizational know-how, knowledge-sharing mechanisms, and networking that extend beyond the firm's boundaries.

Talent retention is an inevitable aspect of businesses, and organizations should proactively prepare to manage the loss of human capital effectively. Despite certain factors being beyond the control of organizations, such as labour market dynamics and national economies, companies face a choice between implementing a talent retention strategy or facing the exponential risk of losing human capital, which can ultimately adversely impact overall business outcomes (Festing & Schäfer, 2014).

The question then arises: Why do employees leave? Several reasons contribute to this phenomenon. One primary motivation for focusing on retention is the substantial realization of recruitment and selection costs associated with hiring new employees. This cost can be attributed back to the turnover of existing employees (Pandita & Ray, 2018). Additionally, employees often seek new external career opportunities in pursuit of a more favourable and advanced working environment. It is a common tendency for individuals to explore new opportunities if they feel unrewarded or discontented, particularly in terms of their employment.

Furthermore, organizations undergo regular changes in their structures, cultures, and employee-related policies. In some cases, these changes may not align with employees' expectations for career advancement, compelling them to seek new opportunities outside the organization. This highlights the importance of organizations supporting employees in their career growth to foster a sense of loyalty and commitment.

Supporting this claim, Steel et al. (2002) have identified that employees with higher performance potential are more susceptible to dissatisfaction when faced with a lack of

career advancement opportunities and promotion chances. Simultaneously, the working environment's complexity and multi-ethnic nature can also influence employees' intentions to leave, necessitating employers to make specific efforts to manage this diversity by satisfying their needs (Tlaiss, Martin, & Hofaidhllaoui, 2017). According to Wei (2015), individual factors, such as certain aptitudes and abilities, can motivate employees to seek employment elsewhere, ensuring job security and resulting in talent loss. Furthermore, the absence of proper career development paths, compensation packages, and a monetary reward system can also impact the turnover intention of talented employees.

In summary, the factors mentioned earlier contributing to employee turnover underscore the importance of business management prioritizing talent retention strategies in their long-term planning.

2.3.3 Talent Development

In conjunction with the acquisition and retention of talent within an organization, it is an imperative indicator of success to develop the existing talent. Talent development implies the process of designing and implementing proper plans and strategies for the further enhancement of the current and future pool of talented employees through the provision of development programs and mechanisms. Additionally, talent development strategy and processes should be aligned with the overall long-term goals of talent management (Thomas, Garavan, Carbery & Rock, 2011).

By including career development, training, and additional learning opportunities, talent development, as defined by Mehdiabadi and Li (2016), is a socially assembled mechanism designed by an employee, not restricted to job-related training alone but incorporating other advancement occasions such as organizational improvements through the employee's learning for the specific benefit of the organization.

According to Lawler (2008), the implementation of talent development practices can influence the firm's productivity, outcomes, job satisfaction, and employee commitment. Organizations seeking success in human capital through the attraction, development, and retention of workers should allocate thirty to fifty per cent of their time to talent management practices.

Similarly, according to Dai and Speerschneider (2012), talent development is the systematic provision of learning contexts to employees in the organization through the steadfast determination of efforts and activities, resulting in the improvement of employees' competencies, know-how, and special technical and specific skills. Improvement in employees' know-how and competence will essentially enhance the chances of success for the organization, as suggested by Grant, Maxwell, and Ogden (2014) and van Zyl (2013). Organizations can take advantage of talent development in terms of obtaining strategic goals, revenue generation, and ensuring a competitive edge over others (Pruis, 2011).

From the employee's perspective, talent development can enhance morale, job devotion, self-gratification, and openness to new opportunities and innovative problem-solving solutions, as suggested by Maruska and Perry (2013). The researchers argue that in the 21st century, people seek recognition and appreciation for the talent they possess rather than solely working toward target accomplishment. Additionally, Aziz, Afthanorhan, and Awang (2016) state that investments in talent acquisition, retention, and

development programs can influence long-term profit maximization for businesses, making it a crucial consideration for companies globally.

Furthermore, based on the findings of Dalal and Akdere (2018), talent development strategy differs from leadership or career development strategies. Talent development encompasses individual skills improvement, such as abilities, competencies, commitment, and stimulation. However, talent development primarily focuses on personal and organizational-level capacity building, goals, and their achievement. The author also recommends that for effective organizational outcomes, talent development approaches should not operate in isolation but should be interconnected with talent attraction and retention.

Moreover, organizations achieve their talent management goals through interconnected talent acquisition, retention, and development practices. Having discussed acquisition and retention earlier, let us delve into some mechanisms and programs useful for the successful development of talent in organizations. According to the literature summarized by Dalal and Akdere (2018), programs for talent development include formal and relation-based experiences, instrumental effects such as technicality-based skill-building, competence-based systems, and employee socio-psycho support, training, and mentoring programs.

In conclusion, in today's competitive business era, where talent is scarce in the market, organizations need to have an effective talent management strategy that consists of talent acquisition, retention, and talent development aligned with the organization's strategic goals.

2.4 Employer Brand and Talent Acquisition

The term "employer brand" is a comprehensive term with implications in multiple disciplines such as HRM, marketing, and international business and trade. Ambler and Barrow introduced this term to the literature in 1996. It encompasses the fundamental values of an organization, including the firm's image, cultural networks, and principles through which organizations act. Srivastava and Bhatnagar (2012) similarly assert that the employer brand is primarily concerned with the firm's characteristics, identity, image, and uniqueness, distinguishing it from others in the business market. This becomes especially advantageous when talented workers proudly approach organizations with a recognized employer brand, ultimately providing considerable uniqueness to these organizations.

As an employer, an organization serves as a platform where personnel receive operational, materialistic, and non-materialistic remunerations. Therefore, Ambler and Barrow (1996: p187) define employer brand as the identification of certain functional, economical, and spiritual remunerations provided by the employer organization to its employees to keep them motivated. Moreover, having the privileges of an employer brand and being considered as such provides an additional advantage of attracting more talented workers. New talents tend to view organizations with an established employer brand as more trustworthy compared to those without such branding (Bouchehki & Kimberly, 2008). This is the reason why the employer brand can influence the perception of potential employees when applying for a job, as they consider what they can expect from such a company.

In the pursuit of acquiring talented employees, organizations must exert additional efforts to align their accurate employer brand with their talent acquisition strategy. A

positive organizational image and culture increase the likelihood of achieving an optimum level of talent acquisition. As asserted by Srivastava and Bhatnagar (2010), employer brands can assist organizations in attracting the best-fit employees and reassure potential workers that the work environment prioritizes employees' rights and provides appropriate benefits. Additionally, Ambler and Barrow (1996), in their study on "Employer Brand," found that organizations focused on the implied employer brand model are more likely to have a high retention rate, particularly among skilled candidates. Ambler and Barrow (1996) believe that such firms can easily recruit the best applicants, as evidenced by the attitudes and career paths of existing and potential employees.

To sum up, the employer brand plays a role for potential employees, similar to a product brand for customers, offering comparable functionality, value, and psychological satisfaction benefits. Similarly, according to the Economist (2008), fostering workers' loyalty and commitment can be achieved through the effective integration of acquiring, involving, and retaining practices, ultimately positioning the organization more competitively in the labour market. Being an employer brand in the market and providing better development and career opportunities to workers is a leading indicator for organizations to attract and retain more talented employees compared to others (Momand, Rizwan & Ali, 2022).

2.5 Talent Acquisition and HR Need Expectancy

The valuation of human capital is a crucial indicator for ensuring effective HR operations in the future. It guarantees the optimal utilization and development of employees toward the achievement of organizational goals, emphasizing the importance of talent. As articulated by Cappelli (2008), talent management is essentially the recognition of human resources needs and the effective satisfaction of those needs. However, many organizations fall short of implementing this practice effectively.

For instance, organizations that neglect to formulate plans for future employees are engaging in talent management practices that lack meaning. To distinguish themselves as more focused competitors in talent management, organizations must engage in proper human resources planning, taking into account future employee needs, the availability of employees in the market, and the requisite skills and competencies for various roles (Cappelli, 2008).

This dynamic approach is in contrast to the prevalent reliance on external potential employees, neglecting the training and promotion of current employees to higher-level positions. Some organizations have been using bureaucratic and complex traditional models since the 1950s to predict future requirements and succession planning. Given the flexible and fluctuating nature of the business environment, a fundamental and integrative approach to talent management is essential, one that acknowledges the uncertainties inherent in the business environment.

3. Methodology

The methodology employed in this comprehensive literature review is systematic and thorough. It initiates a meticulous identification of relevant literature through strategic keyword searches across databases, journals, and publications. Keywords such as "talent management," "Ulrich Formula," "talent acquisition," "retention," and "development" were strategically used to retrieve targeted scholarly works. To establish inclusion criteria, a careful selection of articles, books, and reports is made based on their relevance

without a timeframe being considered. The subsequent data extraction process is equally meticulous, ensuring the systematic retrieval of theoretical and empirical studies from the chosen literature. Critical analysis is then applied to evaluate the methodology, validity, and reliability of research findings in each work. This information is subsequently organized thematically based on key themes and concepts related to talent management and its dynamics. To ensure a holistic view, diverse perspectives are seamlessly integrated into the review. Multiple iterations of review and refinement, incorporating feedback, contribute to the scholarly enhancement of this literature synthesis. The aim is to present a coherent and robust understanding of talent management literature.

4. Critical Analysis and Conclusion

Talent management has emerged as a critical strategic direction for organizations navigating the evolving landscape of the knowledge-based economy. In this era, the value of talent, particularly within knowledge-based firms, cannot be overstated, as it is widely acknowledged that organizations with the best-talented employees secure a competitive advantage in the long run (Pandita & Ray, 2018). The seminal article "War for Talent" by Chambers et al. (1998) marked the inception of talent management, emphasizing its pivotal role in organizational success.

While scholars may offer varying definitions of talent management, the overarching objective remains consistent – to acquire, retain, and develop talented individuals within the organization, effectively harnessing this scarce resource for value creation in diverse forms. Ulrich's talent management formula underscores the interactive interplay of competence, commitment, and contribution as essential elements that collectively define an individual as a "talent" for organizations (Ulrich, 2011). Research findings indicate that talent management, and specifically talent, can confer competitive advantages (Rabbi et al., 2015), underscoring the considerable importance of talent management practices. The realization of talent management goals hinges on concerted efforts across talent acquisition, retention, and talent development. As the initial and imperative stage in securing talented employees, talent acquisition necessitates a thorough examination of relevant qualities for a given position, coupled with an assessment of the employee's potential for future development and career advancement. The concept of an employer brand becomes pivotal in the effective attraction of talent. Organizations endowed with a strong employer brand are more fortunate in acquiring talented employees, as candidates are inherently drawn to branded companies or organizations that have cultivated a positive image in the market. This dual focus on talent acquisition and employer branding signifies the multidimensional approach that organizations must adopt to navigate the complexities of talent management successfully.

Once the critical stage of talent attraction is accomplished, it becomes imperative to recognize the dynamic nature of human beings. When presented with a more conducive and rewarding environment, individuals may consider transitioning to a different organization. Therefore, organizations must conscientiously acknowledge the importance of talented employees and strive to foster a culture or environment that realizes and appreciates employees' talents. Instances where employees perceive organizational policies or working environments as impediments to their talent development often lead to a desire to quit their current jobs. The turnover of talented individuals can have direct and indirect repercussions for an organization. Directly, it incurs financial costs associated with the recruitment and selection of new employees.

Indirectly, organizations lose human capital, a resource that is scarce in the labour market. Consequently, talent development emerges as a crucial approach to ensuring employees' future development. This involves providing various developmental initiatives such as training, sponsorship, mentorship, and coaching programs, as well as creating an environment that keeps employees satisfied and motivated.

Despite the merits of talent development, challenges persist, particularly in the realm of relation-based hiring. This practice involves the recruitment of unqualified individuals based on familial bonds or friendships. While hiring based on family bonds may not be inherently detrimental if the individual possesses job-related competencies (Momand, 2020), it becomes problematic when influential figures in the organization refer someone who lacks the necessary qualifications. This undermines the entire talent management strategy, as the core focus on talent is compromised in such instances.

In light of these findings, the effective implementation of talent management practices is indispensable for organizational success across multiple dimensions, including heightened productivity, fortified reputation, enhanced brand equity, and the attainment of competitive advantages. Adopting a comprehensive approach that encompasses talent acquisition, retention, and development serves as the cornerstone of a successful talent management strategy, ensuring the organization's sustained growth and prosperity. By strategically integrating these elements, organizations can not only nurture their existing human capital but also cultivate an environment conducive to attracting and retaining top talent. This proactive approach not only safeguards against talent drain but also fosters a culture of continuous improvement and innovation. Therefore, smartly implementing talent management practices is not just a good idea but also imperative for organizations that want to succeed in today's fast-changing and competitive business world.

5. Policy Implications

The findings of this study underscore the importance of integrating talent management strategies with broader organizational goals to effectively harness and retain valuable human capital in the knowledge-based economy. Policymakers should prioritize the development of comprehensive talent management policies that address the three key elements of acquisition, retention, and development. By aligning these policies with organizational objectives and emphasizing the Ulrich Formula's 3 C's—competence, commitment, and contribution—policymakers can facilitate the implementation of talent management practices that are in line with organizational goals. Furthermore, policymakers should consider the intersection of talent management with employer branding and HR expectations when formulating policies to ensure their effectiveness. This requires a nuanced understanding of talent management functions, including acquisition, selection, retention, and development, and their implications for organizational success. Ultimately, by providing clear policy guidelines and support, policymakers can contribute to the successful implementation of talent management practices in organizations, thereby enhancing their competitiveness in the knowledge-based economy.

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