

Chapter: 15

STRATEGIC TALENT MANAGEMENT IN INDIAN MNCS: ALIGNING HUMAN CAPITAL FOR INDUSTRIAL DEVELOPMENT

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ABSTRACT

Talent management is the umbrella term encompassing HR practices used to find, develop, motivate, and retain high-performing employees. Managing employees is a vital yet challenging responsibility. Acquiring the right personnel strengthens the organisational plan. Today, an organization's greatest challenge is not only finding exceptional candidates, but also retaining them. An aid for HR teams to recruit, train, and retain employees is based on the trustworthy. This chapter will provide an overview of the most recent investigations on talent management in multinational corporations. The methods employed by MNCs to manage workers classified as "talent" are the main topic of discussion.

Keywords: *Talent Management, Employee Retention, Multinational Enterprises, Talent Management Strategies, Talent Acquisition.*



1. INTRODUCTION

The concept of "talent management" reflects an extensive collection of HR tactics used to find, develop, motivate, and retain exceptional talent. When implemented consciously, this process can improve overall business performance and help the organisation stay competitive. Talent management has become a catchphrase in the business world for keeping hold of important personnel. The management of talent is described as the application of coordinated plans or methods intended to improve workplace efficiency. Talent management is a comprehensive approach to recruiting, nurturing, and inspiring and keeping elite personnel. This involves recognising and nurturing the right talent and giving them the tools they need to grow and succeed. Ultimately, talent management propels performance, enabling your business to fulfil its goals. The difficulty of managing Human Resource Excellence is both vital and very challenging. The right talent is procured to strengthen organisational tactic. Although the number of job seekers has increased overall due to the current state of the global economy, there is still a lack of talent in some countries and industries, which has caused the "Talent Mismatch" issue. Today's job market requires multitaskers, which makes it harder and harder to find talented people. It is therefore becoming more difficult to find the "correct" person for a particular job. The largest challenge for an organisation is no longer merely finding outstanding candidates, but also holding onto them.

1.1 MNC's and the World Economy

The Indian economy has long included multinational companies. They contribute significantly to the economy by producing and distributing goods and services in India. Additionally, they make investments in Indian companies, which helps the country's citizens' economic circumstances and generate jobs. Multinational companies are also very important to the Indian political system. They offer education, investments, and other resources to support the expansion of the Indian economy. There are several advantages that multinational companies can provide to the Indian economy. Firstly, by providing jobs to rural regions of the nation, they can aid in the reduction of unemployment. Additionally, multinational corporations have a significant impact on the advancement of women's and other marginalised groups' access to the economy in Indian society by offering a range of goods and services that are specifically designed to satisfy the needs of regional clients, multinational corporations also contribute significantly to the Indian economy. As a result, any potential rivalry or competition between these companies is undermined and new relationships are forged between multinationals and local businesses. Multinational corporations also frequently offer cutting-edge goods that satisfy regional demands while still adhering to international standards. Locals find these products appealing as they perceive them as a representation of their own culture and lifestyle.

1.2 Challenges Faced by Indian MNC's in Global Talent Management

India has been well-liked by many types of multinational corporations ever since it became open to globalisation in the 1990s. India presents numerous growth opportunities due to its favourable demographics, robust domestic demand, and an ever-expanding talent pool, but there are a number of challenges are faced by Indian MNC'S in managing talent globally.

- 1. Diverse Demographics:** Approximately 138 crore people live in India, and there are a lot of distinctions among them. A major error that multinational corporations frequently commit is assuming that Indian consumers are all the same. In the same country, customer tastes differ greatly between regions. For multinational corporations (MNCs) to successfully enter a market, local knowledge is essential. However, obtaining this information can be challenging, particularly if the corporate leadership is foreign. It will take indigenous leadership to replace the foreign leaders of MNCs operating in India. These individuals comprehend the cultural landscape and market dynamics of India better than anyone else, and they also know what it takes to flourish in the country.

- 2. Infrastructure:** MNCs hardly ever own real estate. They would rather rent a workplace instead. One of the largest issues facing MNCs operating in India is choosing the appropriate workplace to operate. They have to reserve large office spaces due to high demand prior to business projects are finished and turned over. The space might be too big at first for their teams, but most MNCs outgrow it as their businesses expand. Locating an additional space in close proximity to the current one is typically nearly impossible. This entails reestablishing the loop from the beginning. Switching to coworking spaces from the traditional office model might be the best way to solve this issue. The Office Pass (TOP) and other coworking operators allow multinational corporations to rent desk space instead of whole floors. As a result, they can scale up in accordance with their headcount and match the space they lease to their needs. Companies such as Microsoft have already begun to lease flexible office space in India.
- 3. Cultural Disparities:** It is not surprising, considering its size, to discover cultural differences both within and among India's numerous internal regions. An MNC may find it challenging to open offices all over India. In order to avoid conflict and stimulate peaceful cooperation, they must find a balance between educating personnel and allowing them to voice their ideas discussing cultural diversity with everyone. Development of soft skills plays a part in this. MNCs ought to invest in learning about the cultures of the staff members as well as the company. After-work activities foster solidarity among employees and help new hires feel at ease.
- 4. Recruitment:** Although one might think that hiring employees would be simple given India's talent pool and the resources MNCs have at their disposal, hiring employees remains a challenge for foreign businesses operating in India. First of all, there is an intense battle among the leading multinational corporations to hire the best candidates. Second, the best students in India's prestigious colleges want to create their own brand rather than work for an established one.

2. REVIEW OF LITERATURE

Businesses are actively looking to improve their core competencies in the quickly changing business environment. Organisations need to take a proactive approach to talent management and give priority to human capital practices in order to achieve their mission. Due to its critical role in achieving exceptional results in an environment where there is a shared vision and shared gratitude for contributions, talent management has gained prominence in corporate HR. Organisations are only as successful as the dedication and output of their workforce, and every organisation has

human capital that needs to be developed. It is essential to invest in talent development, which includes both job expansion and enrichment. When it comes to attracting, hiring, evaluating, developing, rewarding, and retaining talent, the IT industry faces particular difficulties. Businesses use a variety of strategies, including career mapping. The article explores various business strategies and suggests techniques for efficient personnel management. The significance of talent management in multinational corporations (MNCs) is emphasised in this chapter. It highlights the difficulties in managing talent internationally and promotes the analysis of practices through responsiveness and integration. Implementing talent management techniques, internalising them within management, coordinating with other HRM protocols, and creating a connection between talent management and leadership development are the main topics of discussion. In the dynamic environment of multinational corporations, the goal is to guarantee that identified talent engages in leadership programmes and assumes a variety of roles for comprehensive professional development. **(Bjorkman et.al. 2017)**. Talent management refers to HR practices aimed at identifying, developing, inspiring, and keeping top performers. Securing the right talent improves organisational strategy, making talent management an important and difficult task. In the current work environment, companies must not only find great candidates but also keep them on board. The cloud-based solution from Wipro called HR Talent Management helps HR teams find, train, and retain employees. Based on the dependable and extremely scalable ServiceNow platform, this tool was created. This paper aims to examine the talent management strategies that Wipro Ltd. has put in place. **(Chethana & Sonia 2022)**. The purpose of this study is to close the existing knowledge gap about corporate HR departments' functions in global talent management (GTM) in multinational enterprises. The study examines GTM from the perspectives of growing patterns in international mobility and heightened competition for skilled workers worldwide. It looks at GTM systems and people's mobility readiness, highlighting the need for organisational abilities, particularly in developing countries. Within corporate HR, new positions are created to handle these difficulties. By addressing anticipated future challenges in corporate HR, the study also advances GTM theory and practice. **(Elaine, 2018)**. Finding new talent is not as important as acquiring and keeping qualified staff in today's intensely competitive business environment. An effective organisational structure is essential for talent management, which deals with hiring, promoting, and firing employees. There is still a sizable talent gap that exists despite a rise in job seekers worldwide, creating the problem of "talent mismatch." Given the significant influence that outstanding talent has on an organization's future, organisational procedures need to place a high premium on talent management. Applying talent management strategies well increases performance throughout the organization, in addition to increasing

employee engagement. The strategic value of talent management for HR managers is found in its ability to increase engagement, which in turn promotes organisational success. This empirical study emphasises the strategic role of talent management in fostering employee engagement and enhancing overall organisational performance in an effort to provide HR managers insightful information. **(Hongal and Kinange, 2020)**. This study glanced closely at TCS's talent management process and provided insightful analysis of its hiring practices. The study reveals that the company is committed to luring top talent in order to improve its worldwide competitiveness. The analysis shows that TCS prioritises internal talent development and devotes a significant amount of time and resources to talent management. TCS is dedicated to promoting lifelong learning, giving every employee access to a platform where they can stay up to date on the latest advancements in the IT industry. It is admirable that this proactive approach is being taken to ensure that staff members are prepared for the ongoing evolution of the industry. The remarkable talent management process of TCS is centred on the development of newly acquired talent, their productive engagement, and the facilitation of optimal outcomes to meet business goals. **(Laveena & Shailashri, 2021)**. Exploring the intricate dynamics of labor regulations in Uttar Pradesh's tourism industry, as presented in Dixit, A. K., & Kumar, V.'s (2023) study, provides valuable insights into the broader spectrum of industrial development.

3. INDIA AS AN ATTRACTIVE HUB FOR MULTINATIONAL CORPORATIONS

There are several reasons why multinational corporations are flocking to India. The country has a substantial market and one of the fastest-growing economies in the world. Furthermore, the government's FDI policies have had a big impact on why international businesses are drawn to India. For a considerable amount of time, India maintained a restrictive policy regarding foreign direct investment, which resulted in fewer companies expressing interest in investing in the Indian market. Nonetheless, the circumstances changed as a result of the nation's financial liberalisation, especially after 1991. In contemporary times, the government always tries to attract foreign investment by loosening different regulations. As a result, a number of international corporations have shown a strong interest in the Indian market. The 'Make in India' initiative by Prime Minister Narendra Modi offers multinational corporations (MNCs) a compelling reason to set up shop in the nation.

3.1 Opportunities for MNC's in India

India has established itself as a highly preferred business destination due to its vast and constantly growing market, friendly business environment, and skilled labour force. India's economy is predicted to grow at a rapid pace and become the world's third-largest by 2050. India's young and educated workforce adds even more allure for companies looking to set up shop there. Tax breaks and infrastructure upgrades are just two of the proactive steps the government has taken to increase business friendliness, which has made India an appealing location for foreign investment. In 2022, the nation attracted a record \$84.4 billion in foreign direct investment (FDI), marking a historic milestone. Anticipating the creation of new job opportunities and a spike in economic growth in the near future, the Indian government focuses on the development of developing industries such as digital technology, renewable energy, and electric vehicles. In conclusion, India shows promise as a market for companies of all sizes, offering a number of benefits that make it a desirable place to invest.

4. TALENT MANAGEMENT OF PROMINENT MULTINATIONAL CORPORATIONS

4.1 Wipro

Among the top Big Tech companies, Wipro is an Indian multinational corporation, established in 1980 provides business process, consulting, and information technology services. Serving clients in 167 countries, the company's expertise encompasses a wide range of services, including cloud computing, computer security, digital transformation, robotics, artificial intelligence, data analytics, and various technology consulting services.

Wipro's Talent Management Strategy: Building a Flexible and Competent Workforce

Wipro provides its clients with an Integrated Talent Management system that takes workforce planning, job forecasting, and business requirements into account. The system prioritises time, money, and quality management. Notably, Wipro is the first organisation in the world to achieve Level 5 of the People Capability Maturity Model (PCMM). Through the establishment of a framework for ongoing talent development and process improvement, the PCMM framework has been instrumental in elevating the maturity of people practices. Wipro addresses irregularities in hiring procedures, offers candidates career paths and learning paths, assesses quality and performance, and helps determine performance rewards by utilising this experience and integrating technology. With the support of a round-the-clock help desk, the system offers a distinctive virtual

learning environment customised to meet the demands of a geographically distributed workforce, guaranteeing an economical method of skill development.

4.2 Infosys

Founded in Pune, India in the year 1981, Infosys is a multinational company that offers business consulting, outsourcing, and information technology services. Its current headquarters are in Bangalore. In terms of revenue, it is currently the second-largest Indian IT company, following merely Tata Consultancy Services as of 2020. On August 24, 2021, Infosys reached a significant milestone by becoming the fourth Indian company to reach a valuation of US\$100 billion in the market. Ranked as one of India's leading Big Tech companies, Infosys is still a major player in the IT sector.

Talent Management Strategy of Infosys: Creating a Dynamic Workforce

Infosys creates a thorough training programme with the goal of continuously bringing in new talent. In this regard, Infosys Wingspan, a learning solution focused on mobile devices, uses innovative features based on open source technologies to accelerate the talent transformation process. It provides an immersive learning environment and supports guided skill development, going beyond conventional learning management systems. The IT and training/learning infrastructure of a business can be easily integrated with this solution. It also provides operational and technical support to enhance learning capabilities. Additionally, Infosys creates tailored learning paths for business, IT, support, and domains. The cloud-hosted solution gives instructors and trainers access to a reusable library so they can create customised content. Moreover, Infosys Wingspan facilitates simple cooperation between outside partners, experts, learners, and content producers. Through the integration of change management into initiatives for digital talent transformation, Infosys helps HR departments lower employee attrition and mitigate the risk of skill shortages, particularly among highly specialised or licenced professionals. Infosys Wingspan provides targeted interventions for career development and onboarding within this framework. Project managers should practise site-specific risk management, and estimators should be certified based on projects, and safety information for new hires are just a few examples of the customised learning modules available. The content availability on any device, at any time, anywhere gives employees the flexibility to meet their learning goals more quickly.

4.3 Tata Consultancy Services

An international business based in India, Tata Consultancy Services Limited (TCS) founded in 1968, is focused on providing IT consulting and services. With 150

locations across 46 countries and its headquarters located in Mumbai, it is a significant member of the Tata Group. Among Big Tech companies in India, TCS is a prominent player and the second-largest Indian company in terms of market capitalization. It is also one of the most valuable IT service brands worldwide. TCS is the second-largest global user of H-1B visas from the United States as of June 2023.

Talent Management at Tata Consultancy Services Limited

TCS's cloud-based talent management solution for a dynamic, diverse, and highly mobile workforce is called CHROMA™. This cutting-edge platform transforms the work experience for employees by accelerating the adoption of HR best practices, encouraging teamwork, and putting intelligent staffing forecasting into practice. Intelligent hiring, smooth onboarding, performance driven by ongoing feedback, learning that is accessible anytime, anywhere, flexible compensation, efficient leadership development – all of these topics are covered by CHROMA™.

By offering individualised learning opportunities and customised career recommendations, CHROMA™ cognitive intelligence and machine learning models seek to improve the employee experience. By reducing bias in the promotion process, proactively identifying attrition risks to start retention plans, and monitoring employee sentiment on social media, the platform helps organisations make more informed choices.

- CHROMA™ Talent Acquisition ensures a dynamic and effective hiring and onboarding process from beginning to end. It also provides a dedicated career portal.
- CHROMA™ Talent Core helps in the planning of recruiting needs for an efficient, innovative organisation through offering cognitive intelligence-driven headcount forecasts through workforce planning and budgeting.
- Employees can enhance their skills and competencies in both their short- and long-term careers with the support of CHROMA™ Talent Development, which makes multichannel competency and collaborative learning programmes possible.

5. SIGNIFICANCE OF MANAGING TALENT IN GLOBAL COMPANIES

A profound understanding of talent management is crucial for assisting your company in retaining its skilled and talented workforce. Here are additional reasons highlighting the significance of talent management:

1. **Boosts business performance:** Reaching any organisational objective is simple when high-achieving personnel are retained.
2. **Ensures team productivity:** By allowing each team member to put in their best effort towards a shared organisational objective, talent management allows you to create incredibly productive teams.
3. **Inspires others to grow:** Having highly talented individuals on a team inspires other workers to perform to the highest standard.
4. **Assists in filling positions within the company:** By using the hiring process, you can assist in identifying possibly open positions within the organisation and guarantee that there are highly qualified workers to meet targets. Additionally, talent management guarantees that your staff members have a manageable workload.

Table-1 Comparative Analysis between Wipro, Infosys and Tata Consultancy Services

Aspect	Wipro	Infosys	Tata Consultancy Services
Hiring Techniques	Makes use of a combination of conventional and cutting-edge sourcing techniques, such as partnerships with educational institutions, job portals, and campus hiring.	Prioritises recruiting on campuses by cultivating relationships with academic institutions and holding targeted recruitment campaigns.	Uses cutting-edge technologies like AI and data analytics to recruit people in a diverse and effective manner by leveraging a global talent pool.
Programs for Training and Development	Provides extensive training courses that address both soft and technical skills, emphasising lifelong learning and professional advancement.	Through Infosys Training & Development (ITD) programmes, Infosys prioritises continuous learning and encourages staff members to	Prioritises the development of leaders and continuous skill improvement via a range of learning resources and development

		regularly upgrade their skill sets.	programmes.
Strategies for Retaining Employees	Uses employee recognition initiatives, competitive pay, and career advancement opportunities as retention tactics.	Emphasises work-life balance initiatives, career advancement opportunities, and employee engagement programmes to improve retention.	Makes use of a range of retention strategies, such as individualised career development plans, flexible work schedules, and performance-based rewards.
Management if Performance	Setting goals, receiving regular feedback, and awarding employees based on their performance are all part of Wipro's performance appraisal system.	Uses a goal-setting methodology that includes frequent feedback channels and performance reviews connected to professional advancement.	Features a structured approach to performance management that includes incentives based on performance, feedback sessions, and recurring reviews.
Worldwide talent Mobility	Oversees international assignments, cross-cultural training, and mobility initiatives to facilitate global talent mobility.	Promotes global thinking among staff members by providing cross-cultural training and encouraging international mobility.	Makes use of global assignments and mobility initiatives to offer workers a variety of experiences and opportunities for professional growth.
Cultural Consideration	Promotes an inclusive work environment by incorporating cultural	Encourages inclusivity and diversity, taking into account cultural factors in	Promotes a diverse and inclusive workplace around the world by incorporating

	considerations into talent management procedures.	hiring, onboarding, and employee engagement.	cultural sensitivity into HR procedures.
Talent Analytics and Metrics	Measures employee performance, training results, and the efficacy of hiring through talent analytics and metrics.	Uses data analytics to make decisions and gain insights into talent, streamlining HR procedures to improve results.	Makes use of sophisticated analytics to evaluate talent metrics, forecast labour market trends, and guide HR plans for optimising talent.
Talent Management Obstacles	Has difficulties attracting specialised talent, keeping up with technological advancements quickly, and coordinating talent management with changing business requirements.	Handles issues like the lack of talent in the world, making sure that everyone is included, and adjusting to the shifting demands of the labour force.	Handles issues with managing diverse international teams, scaling its workforce, and competing for top talent.

6. CONCLUSION

In summary, delving into the realm of talent management within Wipro, Infosys, and Tata Consultancy Services (TCS) reveals the expansive and intricate strategies employed by these Indian MNCs. Each company, while sharing a commitment to nurturing and retaining skilled professionals, brings its unique approach to talent management to the forefront. Positioning itself as a major player in the competitive IT market, Wipro's talent management approach demonstrates a comprehensive strategy that addresses recruitment, development, and retention. Change management is incorporated into modernization projects, which highlights Wipro's dedication to talent development that is flexible and agile. On the other hand, Infosys stands out for its vigilant assessment of ongoing talent pool replenishment. Based on open-source technologies, the Infosys Wingspan learning solution streamlines talent transformation

and offers a flexible platform for individualised learning in a range of subjects. Meanwhile, TCS, a pioneer in the worldwide IT services market, depends heavily on talent management to maintain its position. The company's dedication to cultivating a dynamic, diverse, and mobile workforce is demonstrated by its CHROMA™ cloud-based Talent Management solution. With a focus on improving the overall employee experience through personalised learning and customised career recommendations, CHROMA™ cognitive intelligence and machine learning models offer a level of sophistication. These Indian MNCs are essentially going above and beyond with talent management; it's interlinked with digital transformation, ongoing learning, and a keen awareness of the evolving requirements of a diverse and global workforce. In addition to demonstrating their ongoing commitment to organisational excellence, Wipro, Infosys, and TCS are recognised as leaders in the field of global talent strategies due to the diverse approaches they take to talent management.

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