



Prifysgol Cymru

Y Drindod Dewi Sant

University of Wales

Trinity Saint David

Rhiannon Akers

Resourcing and Talent Management

Trawsnewid Addysg, Trawsnewid Bywydau

Transforming Education, Transforming Lives

LO1 - How resourcing and talent management activities influence performance.



The strategic relationship between talent management and organisational performance.



Human Capital Theory and the Resource-Based View.



The AMO Framework.



Recruitment and performance.



Performance management approaches.



External labour market influences.



Applying theory to your organisation.



Assignment Builder Activity.

Talent within an organisation



According to Hongal and Kinange (2020), an organisation's talent is its primary source of competitive advantage.



The performance of an organisation depends upon the performance of its employees.



Acquisition and retention of a talented workforce are key tasks for HR managers.



Talent management will succeed with a strong organisational structure.



Which Talent Activities Matter Most?



Recruitment
& Selection



Onboarding



Learning &
Development



Performance
Management



Succession
Planning



Workforce
Planning



Retention &
Engagement

Activity: Rank these activities from:

- Highest impact on organisational performance
- Moderate impact
- Lowest impact

Human Capital Theory (Becker, 1964)

Employees represent organisational value through:

- Knowledge
- Skills
- Experience
- Capabilities

Organisations that invest in people should achieve:

- Higher productivity
- Improved retention
- Increased innovation
- Stronger organisational performance

Employees can leave, making human capital difficult to own or control.

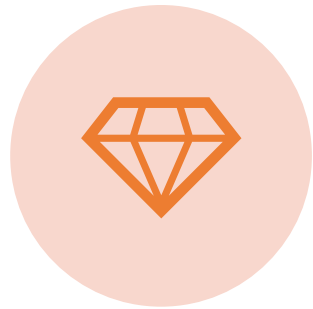
Employee Lifecycle and Organisational Performance

- Employee experiences are cumulative.
- Decisions at one stage affect outcomes at later stages.
- Talent management should operate across the whole lifecycle.
- Performance outcomes depend on how effectively practices are integrated.
- Which stage of your organisation's lifecycle creates the greatest performance risk?



Resource-Based View (Barney, 1997)

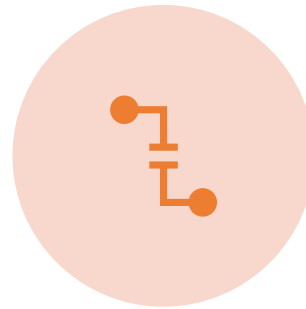
Competitive advantage comes from resources that are VRIO:



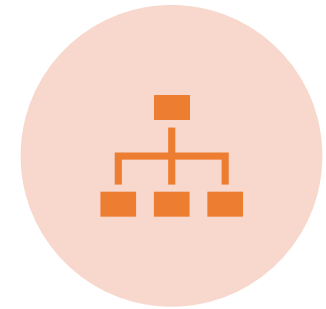
VALUABLE



RARE



INIMITABLE



ORGANISED

Which workforce capabilities in your organisation could meet these criteria?

From an HR perspective, talent may satisfy the VRIO criteria. However, unlike physical assets, employees can leave the organisation, making sustained competitive advantage more difficult to maintain. This challenges traditional assumptions of the Resource-Based View.

Resource-Based View Application

VRIO Criterion	Question	Example
Valuable	Does the talent improve performance?	High-performing software engineers
Rare	Are they difficult to find?	Shortage of specialist skills
Inimitable	Can competitors easily replicate them?	Expertise developed through unique experience
Organised	Does the organisation utilise them effectively?	Strong development and performance systems

What Makes Talent Management Strategic?



Aligned to organisational strategy



Supported by leadership



Data-informed



Focused on future capability needs



Integrated across the employee lifecycle

Which of these is strongest in your own organisation?

Which requires improvement?



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Trawsnewid Addysg, Trawsnewid Bywydau
Transforming Education, Transforming Lives

How do we know Talent Management is working?



Which measures matter most in your organisation?

External labour market conditions may constrain all three dimensions.

AMO Framework (Purcell *et al.*, 2003, cited in Taylor, 2025)

Ability	Motivation	Opportunity
Recruitment	Reward	Employee Voice
Training	Recognition	Involvement
Selection	Career Development	Autonomy



High Performance Work Systems (HPWS)

Consist of mutually reinforcing people practices designed to enhance ability, increase motivation and create opportunity (AMO).

Employee outcomes:
Engagement, Commitment,
Wellbeing, Retention.

Organisational outcomes:
Productivity, Innovation,
Performance.

Which people practice
would have the greatest
negative impact if removed?

Employee Outcomes (1)

People Practice	Employee Outcome	Organisational Impact
Recruitment & Selection	Satisfaction, Job Fit	Performance
Learning & Development	Engagement, Capability	Productivity
Career Management	Commitment, Retention	Talent Stability
Performance Management	Motivation, Engagement	Individual Performance
Employee Wellbeing	Wellbeing, Reduced Absence	Attendance
Talent Management	Commitment, Retention	Succession Strength

Employee Outcomes (2)

- Do positive employee outcomes always lead to improved organisational performance?
- Highly engaged employees can still lack capability.
- Satisfied employees are not always high performers.
- Retention can preserve poor performers as well as top talent.
- Wellbeing initiatives may improve employee outcomes but not deliver immediate financial returns.
- Which employee outcome has the greatest impact on organisational performance in your organisation and how is it measured?

Integration with business strategy

- *‘There are countless organisations where the totality of individual performance serves to undermine, rather than enhance, corporate performance. We have all seen examples of organisations in which production staff are measured primarily on the basis of output (regardless of quality), sales staff are measured primarily on the basis of orders taken (regardless of whether orders can be met), managers are measured primarily on the basis of reducing costs (regardless if the long-term impact on performance) – and at the end of it all the organisation proclaims itself a ‘total quality company’!’*

(Walters, 1995, p. 18, cited in Taylor, 2022, p. 221)

Recruitment activities



The right people drive sustainable organisational performance (Gupta & Praveen, 2023).



Recruitment and selection play a key role in shaping organisational culture.



High-performing organisations invest heavily in robust selection processes.



Human Capital Theory: Effective recruitment enhances organisational capability.



Resource-Based View: Recruitment can create competitive advantage if it brings in talent that competitors cannot easily replicate.

How effective is your organisation's recruitment process at creating competitive advantage?



Reasons for Internal Hiring (Berthau, 2021)

Around 66% of employers typically search internally before recruiting externally, making internal hiring a common practice.

Internal hiring is often used to promote or reassign existing employees rather than appointing external candidates.

The strongest reason for internal hiring appears to be the value of firm-specific knowledge, skills, and experience developed through on-the-job training.

Evidence suggests a positive relationship between employee training and internal recruitment, supporting the importance of human capital development.

Incentive-based approaches (e.g., variable pay) were not strongly linked to internal hiring decisions.

Internal hiring was found to be less common in service-sector organisations and in less competitive markets



Further research

- Internal mobility helps organisations address skills shortages and reduce reliance on external recruitment (CIPD, 2026).
- Employers are increasing investment in internal training and talent development to build skills from within (CIPD, 2024).
- Clear progression opportunities support employee retention and engagement (CIPD, 2025; 2026).
- Effective internal mobility is linked to stronger career progression and organisational resilience.

Recruitment Success - Debate



Is hiring external talent better than developing internal talent?



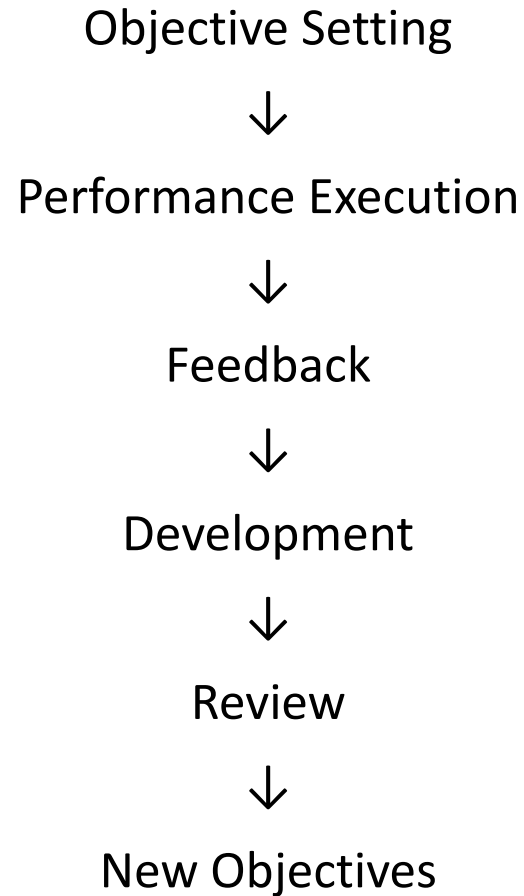
Arguments for...



Arguments against...



The Performance Cycle



Performance Management activities (1)

- Setting SMART goals – provides clarity and focus, helps to track progress, increases motivation, increases productivity
- Performance reviews
- Regular feedback
- Learning and development
- Reward and recognition



Performance Management activities (2)

Levinson (1973) referred to the 'asinine' perspective – motivating staff members as one would a donkey – carrot in one hand, stick in the other (Taylor 2022, p. 216).

Employees are more complex, and performance management requires consideration of the root cause of limited performance levels and how these can be addressed through leadership and motivation.

Focusing on employee behaviour and how job tasks are achieved can provide a firmer basis for discussing possible approaches to improving performance (Taylor, 2025, p. 223).

To what extent does your organisation's approach consider individual behaviours and motivation?

Two perspectives (Taylor, 2025)

Standards-oriented

- Focus on remedying poor performance
- Measured at the individual level
- Concern with slippage below expectations
- Use of disciplinary procedures, incentive-based payments and formal appraisal systems
- Transactional leadership

Excellence-oriented

- Focus on enhancing strong performance
- Measured at the organisation level
- Concern with continuous defined improvement of expectations
- Use of coaching techniques, improving conditions, enhancing job satisfaction and raising levels of motivation/commitment
- Transformational leadership

Group Activity

- Discuss the different perspectives (standards-oriented and excellence-oriented) and answer the following questions:
 - What are the advantages and disadvantages of each approach?
 - When would a standards-oriented approach be appropriate?
 - When would an excellence-oriented approach be appropriate?
 - Consider your experience of both within an organisation you are familiar with and the impact on performance.

Labour Market Challenge of the Week

- The success of any organisation depends on the ability to adapt to the changing business environment (Deschamps *et al.*, 2020, cited in Ramaditya *et al.*, 2022)
- The CIPD Labour Market Outlook identifies ongoing challenges attracting and retaining talent.

Questions

- How does this affect organisational performance?
- How does your organisation respond?
- Which talent management practices are most important?

Career Management Across Life Phases



Early Career

- Apprenticeships
- Graduate programmes
- Development pathways

Mid-Career

- Leadership development
- Internal mobility
- Reskilling

Later Career

- Flexible work
- Mentoring
- Knowledge transfer

Are organisational career structures keeping pace with longer, less linear careers?



Demographics

Diverse teams can enhance organisational performance and innovation.

Age, gender and cultural diversity have been linked to stronger team innovation when considered individually (Tshetshema & Chan, 2020).

To maximise performance, organisations should attract, develop and retain diverse talent and create inclusive team structures.

Does demographic diversity always improve organisational performance?
How can talent management practices support inclusion rather than simply representation?



Identifying and Tracking Talent

- Performance reviews
- Talent reviews
- Assessment centres
- Potential assessment
- Nine-box grid
- Succession planning
- Is high performance the same as high potential?

How can effective talent management impact?



Recruitment – Helps to build a positive employer brand.



Development – Creating meaningful work and growth opportunities.



Promotion – High potential employees more likely to secure key roles in the organisation.

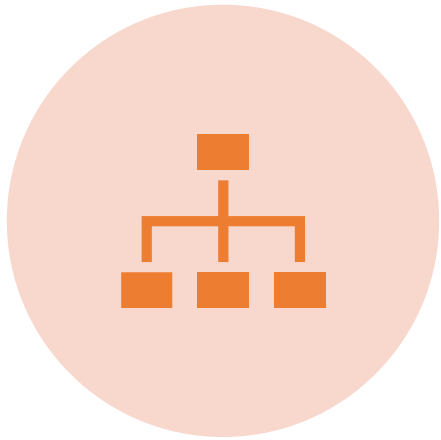


Retention – Non-financial perks such as recognition, advancement opportunities and support from management help to retain high-performing employees.

Group Activity

- In groups, you will be allocated one of the following organisations:
 - McDonalds
 - Google
 - Amazon
- What talent management approach is evident?
- Which theories help explain their approach?
- How does this appear to influence performance?
- What can other organisations learn?
- What are the limitations of their approach?

Assignment Builder



ORGANISATION



**CURRENT PERFORMANCE
CHALLENGE**



**RELEVANT TALENT
MANAGEMENT PRACTICE**

Summary



Human Capital Theory



Resource-Based View



AMO Framework



Resourcing and talent management activities influence organisational performance through their impact on organisational capability, motivation and opportunity.



Any questions?



References

- Barney, J. (1997) *Gaining and Sustaining Competitive Advantage*. Addison-Wesley.
- Becker, G. S. (1964) *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*. National Bureau of Economic Research.
- Bertheau, A. (2021) 'Employer Search Behavior: Reasons for Internal Hiring', *Labour Economics*, 73, 102064. Available at: <https://doi.org/10.1016/j.labeco.2021.102064>
- CIPD (2024) *Resourcing and Talent Planning Report 2024*. Available at: <https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/2024-pdfs/8662-resource-and-talent-planning-2024-report-web.pdf> (Accessed: 18 October 2026).
- CIPD (2025) *Talent Management*. Available at: <https://www.cipd.org/uk/knowledge/factsheets/talent-factsheet/> (Accessed: 7 October 2026).
- CIPD (2026) *Recruitment: An introduction*. Available at: <https://www.cipd.org/uk/knowledge/factsheets/recruitment-factsheet/> (Accessed: 7 October 2026).
- CIPD (2026) *Closing Skill Gaps from Within: The Case for Internal mobility*. Available at: <https://www.cipd.org/uk/knowledge/podcasts/internal-mobility/> (Accessed: 18 October 2026).
- Hongal, P. and Kinange, U. (2020) 'A Study on Talent Management and its Impact on Organization Performance - An Empirical Review', *International Journal of Engineering and Management Research*, 10(1). Available at: <https://doi.org/10.31033/ijemr.10.1.12>.
- Gupta, G. and Praveen, N. (2023) Impact of Recruitment & Selection on Organizational Effectiveness, *International Research Journal of Modernization in Engineering Technology and Science*, 5(4). Available at: [fin_irjmets1682926279.pdf](https://www.ijrmets.com/papers/fin_irjmets1682926279.pdf). (Accessed: 7 October 2026).
- Kwon, K. and Jang, S. (2022) 'There is no good war for talent: a critical review of the literature on talent management', *Employee relations*, 44(1), pp. 94–120. Available at: <https://doi.org/10.1108/ER-08-2020-0374>.

References

- Maley, J. F. *et al* (2024) 'Performance management in a rapidly changing world: implications for talent management', *Management decision*. Available at: <https://www.sciencedirect.com/org/science/article/pii/S0025174724000338> (Accessed: 7 October 2026).
- Ramaditya, M. *et al* (2022) 'Reinventing talent management: How to maximize performance in higher education', *Frontiers in education*, 7.
- Taylor, S. (2022) *Resourcing and talent management : the theory and practice of recruiting and developing a workforce*. Eighth edition. Kogan Page.
- Taylor, S. (2025) *Resourcing and talent management : the theory and practice of recruiting and developing a workforce*. Ninth edition. Kogan Page.
- Tenekwah, E. S. (2024) 'Winning the war for talent: how strategic HR is the key to attracting and keeping top performers', *Strategic HR Review*, 23(5), pp. 192-195. Available at: https://www.researchgate.net/publication/384328599_Winning_the_war_for_talent_how_strategic_HR_is_the_key_to_attracting_and_keeping_top_performers (Accessed: 7 October 2026).
- Tshetshema, C. T., & Chan, K. Y. (2020). A systematic literature review of the relationship between demographic diversity and innovation performance at team-level. *Technology Analysis & Strategic Management*, 32(8), pp. 955–967. Available at: <https://doi.org/10.1080/09537325.2020.1730783>