

Talent management in the voluntary sector

XYZ is a small voluntary organisation situated in Dumfries, Scotland. After its formation in 1990 it has grown as an organisation and been successful in steadily increasing its income through successful bids for funding from a range of sources. In the current tough economic climate the HR manager has detected a dip in employee morale – maybe because employees have found out that some longstanding funders have hinted that their financial support for XYZ may be lower than in previous years.

Recently two of its best line managers have resigned from their posts to take up roles outside of the sector and during their exit interviews they cited lack of perceived job security as one of the key reasons. Other performance indicators also present a worrying pattern:

- short-term absences have increased by 28 per cent
- long-term absences have increased by 13 per cent
- in the most recent employee survey, nearly one-third of employees stated that they would consider looking for alternative employment within the next 12 months
- customer satisfaction levels (measured through a questionnaire) are lower than in the last five years.

This problem doesn't appear to be unique to XYZ as a recent headline on the website of a business magazine was as follows:

'Job satisfaction among staff in the voluntary sector falls to an unprecedented level: passion for the cause is no longer enough to keep them'

Due in part to stories in the local press that have highlighted the 'funding crisis' the organisation has struggled to find replacement line managers and has noticed a drop of about 50 per cent in all applications. The quality of applications has also dipped. Reflecting on both the internal and external environment, the HR manager realises action needs to be taken sooner rather than later.

Questions

1. How would you define talent management?
2. Would you recommend that the organisation takes an *inclusive* or *exclusive* approach to talent management? Explain your answer.
3. What low-cost approaches to talent management could an organisation in the voluntary sector consider implementing?

Fiona Robson, Senior Lecturer, Northumbria University