

TALENT ENGAGEMENT FRAMEWORK AS A JOURNEY TO PERFORMANCE

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ABSTRACT

This conceptual paper proposes a framework for engaging talents at work that leads to business performance. The framework is built on concepts that are evolving and they are defined in several, in many cases confusing, ways in the literature. The research methodology is literature review. Therefore, the paper starts with overviewing the concepts of the knowledge economy, skills, knowledge, talents, work engagement, and organizational performance. Then, the suggested framework is presented and discussed. The paper contributes to a better understanding of the underlining conditions and processes of value creation through talent engagement, calling for more discussion around this phenomenon.

Keywords:

talent engagement (TE); organizational performance (OP); work engagement (WE);
knowledge economy (KE)

1. INTRODUCTION

The paper seeks to answer the question of how talents can be engaged at work in order to improve organizational performance. Learning, knowledge, and innovation are the key sources of the economic growth and competitiveness of organizations. In the knowledge economy there will be an increased demand for engaging talented employees in both tangible and intangible value creation. In the global knowledge economy organizational performance highly depends on the contribution of talented employees. This can be achieved by locating, combining, allocating, and employing the required skills and knowledge of talents. The task of managers and leaders is to engage knowledge workers at work by providing them meaningful work in which they are able to thrive. The challenge is maximizing the contribution of human capital. Therefore, the role of people management and leadership becomes pivotal in the knowledge economy.

Leading people requires more and more soft skills such as empathy, caring, helping, sacrificing, listening, understanding, and openness. Sinek (2015: 52-55) argues that a new wave of leadership is emerging where having empathy is the best strategic tool a modern leader has at their disposal. He believes that 'the job of the leader is not about being in charge, it's about taking care of those IN YOUR charge' (Ibid.: 52, emphasis original). According to Sinek the role of a leader is to create a 'circle of safety', a working environment where people feel equal and can freely talk. He suggests that everybody in an organization needs to learn to become a leader. Leadership should become more about connecting and communicating and less about commanding and controlling people.

In the knowledge economy people create economic value by applying their skills and knowledge for the benefit of their organizations. Knowledge workers and talents do not want to have bosses and superiors who command and control them (Drucker 2008). Instead they need leaders who provide them an engaging working environment. Because talents and knowledge workers are able to manage themselves they need leaders who inspire them. 'Great leaders ... are able to inspire people to act' and they are able 'to inspire people to do the things that inspire them' (Sinek 2009: 6 and 227). When employees feel inspired they do what they know best, they love to go to work, they are more engaged at work, and they care about their colleagues and customers. Engaged and happy employees contribute better to organizational performance.

Obviously, work engagement (WE) has an impact on organizational performance because 'engaged employees are more productive, more profitable, more customer-focused, and more likely to stay. Highly engaged workplaces grow faster, adapt quicker, and innovate more. Organizations don't just benefit from employee engagement; they depend on it' (Quantum Workplace 2015: 5). Therefore, keeping talents engaged at work contributes to higher organizational performance. The

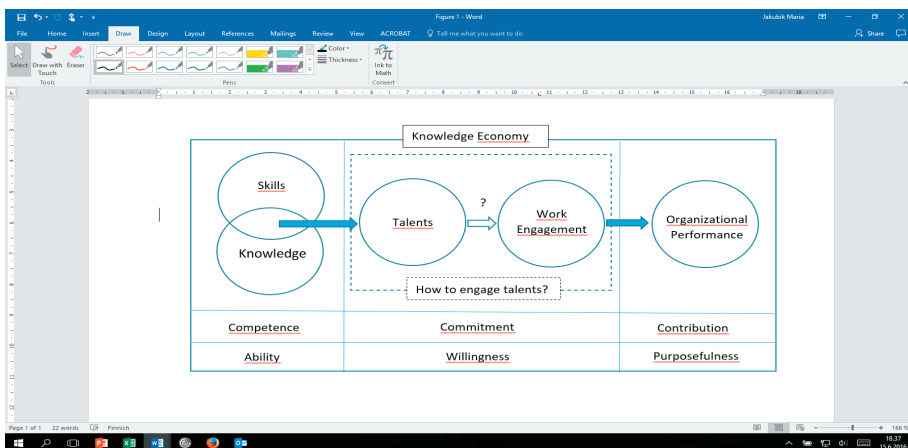
outcomes of the survey on employee engagement experience of knowledge workers by Jakubik and Vakkuri (2015: 25) show similar findings. When knowledge workers are engaged at work they feel energized, good, happy, driven, enthusiastic, motivated, satisfied, focused, excited and are willing to work harder. These demonstrate that emotions and feelings started to play vital role in work engagement. Knowledge workers and talents are highly mobile; they move freely to an organization where their skills and knowledge are needed. Consequently, engaging talented people at work is not only a challenge, but is also a necessary task of business leaders.

Because organizational performance highly depends on engaging talented employees at work this conceptual paper seeks to answer the question: *How can talents be engaged at work in the knowledge economy?* The goal is to propose a framework for talent engagement based on the review of the literature. The paper has three parts: the context of the talent engagement phenomenon is explained, the proposed talent engagement framework is introduced and finally, in the conclusions section the challenges of talent engagement are discussed.

2. CONTEXT OF TALENT ENGAGEMENT

The research question of this theoretical paper is, as stated above: *How can talents be engaged at work in the knowledge economy?* In this part of the paper the concepts related to the context of talent engagement will be presented. Because the proposed framework in the next section is closely related to these concepts therefore, clarifying them contributes to a better understanding of the 'talent engagement' phenomenon (dotted line on Figure 1.).

Figure 1.: Context of talent engagement



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In the knowledge economy (KE) there is a shift from the traditional factors of production (i.e., land, physical labor, capital) to knowledge, entrepreneurial skills, innovation, ideas, and to social and relational capitals. In the knowledge-based economy the human factor has become pivotal. Sheehan (1999) reviews the following five of the many features of the global knowledge economy:

- (1) '*growing importance of knowledge*, underscored through the increased investments of national economies in education, software and R&D, IT, hardware, services, and telecommunications
- (2) booming of the knowledge-based service industries (i.e., education, health, consulting, recreation, entertainment)
- (3) shifting from the goods industries to the knowledge and person-based industries
- (4) declining inflation
- (5) rising inequality within and among nations.' (Sheehan 1999: 7-13, emphasis added)

In addition, the World Bank (KAM Users Guide) has developed an aggregate index known as the Knowledge Economy Index, KEI, which represents the preparedness of a country for the knowledge economy (KE). The KEI combines four pillars of the KE:

- (6) '*economic incentive and an institutional regime (EIR) - this provides incentives for the efficient use of existing and new knowledge and the flourishing of entrepreneurship*
- (7) education and training - this helps create, share, and use knowledge more efficiently
- (8) innovation and technological adoption → research centers, universities, think tanks, and consultants can utilize global knowledge and adapt it to local needs
- (9) information and communication technologies (ICT) infrastructure, which can facilitate effective communication, dissemination, and processing of information.' (KAM Users Guide, emphasis added)

Further, Professor Romer, interviewed by Kurtzman (in Holsapple [Ed.] 2004: 73-87), argues that in the knowledge economy knowledge processing outweighs physical goods processing. He underlines the new role of government in promoting discoveries, creative ideas and investing in people and he sees the role of universities in the production of knowledge and distribution of new ideas. Romer raises the question and dilemma of pricing knowledge: 'in the physical economy, with diminishing returns, there are perfect prices, in the knowledge economy, with its increas-

ing returns, there are no perfect prices. ... as soon as you start to price knowledge, you get into awkward situation where your knowledge is not being as widely used as it could be' (Ibid.: 79 and 83).

Human skills and knowledge are essential sources of economic value creation. In the knowledge economy value is created and co-created by people collaborating, interacting, and communicating with each other, using advanced technologies. There are several people related challenges in the new world of work. First of all, managers and leaders should reinforce the knowledge sharing behavior and trust of employees. They need to identify, capture and efficiently allocate people with the right skills and competencies. Furthermore, motivating and leading talents, and engaging them at work are the demanding tasks of leaders. Finally, it is a leadership challenge to encourage and engage a multigenerational workforce at the workplace.

Competence of talents comprises both skills and knowledge (*cf.* Figure 1.). Skills (*techne*) are practical knowledge acquired through experiences and perceptions. This is the *know-how* that people develop during their work practices. Skills are important as they are the source and at the same time the outcome of intuitions, innovation, trying out new things, and questioning old practices. Skills together with knowledge form the competencies of a person, making them able to perform specific tasks. Knowledge (*episteme*) can be considered as *know-what*. It should be stated that both *techne* and *episteme* are dynamic, fluid, evolutionary concepts. They evolve together in the direction of *know-why*, i.e., objectives and goals. *Know-why* is the practical wisdom or *phronesis* that brings together *techne* and *episteme*.

Knowledge can be defined from different perspectives. Here are a few definitions: Knowledge is a capacity of an agent that is built on information extracted from data. (Boisot 1995); Knowledge is 'justified true beliefs' (Nonaka and Takeuchi 1995); All knowing is personal knowing & participation through indwelling (Polanyi 1975); Knowledge is capacity to act (Sveiby 2001); All knowing involves skillful action; the knower necessarily participates in all acts of understanding. Knowledge proves itself in action (Drucker 2001). McDermott (1999) identified the following six characteristics of knowledge that distinguishes it from information: knowledge is a human act; knowledge is a residue of thinking; knowledge is created in the present moment; knowledge belongs to communities; knowledge circulates through communities in many ways; new knowledge is created at the boundaries of old (Ibid.: 105). From these definitions it can be concluded that knowledge is strongly related to the needs, interactions and actions of an agent.

Knowledge has not only several definitions but it has several taxonomies as well. Holsapple ([Ed.] 2004: 561-562) provides a summary of knowledge classifications based on the following criteria: knowledge versus data and information; levels of knowledge; types of knowledge, explicit and tacit; knowledge creation processes such as socialization, externalization, combination and internalization (SECI); knowledge

in business processes; and knowledge management practices. Jakubik (2007) presents a taxonomy of different types of knowledge from theoretical (*episteme*), practical (*techne*), commodity (embodied), and community (embedded) views. Skills and knowledge together build the ability of talents to perform their jobs well.

Who are the talents? What is their role in organizational performance? Ulrich and Smallwood (2011: 3, emphasis added) talk about the five rules of leaders, such as 'shaping the future; making things happen; *engaging today's talent*; building the next generation of talent; and investing in yourself. They argue that 'These leadership basics explain 60 to 70 percent of leadership effectiveness. The other 30 to 40 percent of a brand are the differentiators, or those things that are unique to leaders in our company.' Most importantly, they emphasize the role of talents in organizational performance and they offer their talent formula (Ibid.: 6) as follows:

Talent= Competence x Commitment x Contribution

Ulrich and Smallwood (2011) and Ulrich and Ulrich (2011 in Berger and Berger [Eds.] 2011: 523) argue that all these three components should exist when defining a talent. Competence means that the talent is *able* to perform a specific job because of his/her right skills (*techne*), right knowledge (*episteme*), right values and because the talent is in the right job at the right time. 'Highly competent employees who are not committed are smart but don't work very hard.' (Ulrich and Ulrich 2011: 523) Commitment and engagement mean the talent is *willing* to go the extra mile, willing to put his/her real self into the work. Committed employees 'work hard, put in their time, and do what they asked to do' (Ibid.) Contribution means finding the meaning and *purpose* in work and acting, performing. 'Talented employees must have skills, wills, and purposes; they must be capable, committed, and contributing' (Ulrich and Smallwood (2011: 6, cf. Figure 1.). The competitive advantage of today's organizations primarily depends on access to talents and then on their contribution. However, there is a shortage of talented workforce. Therefore, it is common to have 'wars for talents'. Ulrich and Ulrich (2011 in Berger and Berger [Eds.] 2011: 518-528) argue that the 'War for Talent' metaphor is about the fact that one party wins and the other loses. But it is more important to focus on how to work with talents during times of 'peace'. They argue that there is a new metaphor emerging that they call the 'Marshaling Talent' metaphor. This paper focuses on the period of 'peace' because the competencies and experiences of talents - as critical resources in the knowledge economy - are scarce.

Similarly, Buckingham and Coffman (2005: 82) write that 'Skills, knowledge, and talents are distinct elements of a person's performance.' They define talent as a 'recurring pattern of thought, feeling, or behavior that can be productively applied. ... Any *recurring* patterns of behavior that can be productively applied are talents' (Ibid.: 67, emphasis original). Based on their research Buckingham and Coffman identified three basic categories of talents:

- (10) 'Striving talents explain the *why* of a person. ...*why* he (*sic.*) is motivated to push and push just that little bit harder. Is he driven by his desire to stand out ... is he intensely competitive?
- (11) Thinking talents explain the *how* of a person. They explain *how* he thinks, *how* he weighs up alternatives, *how* he comes to a decision. ... Is he focused ... disciplined and structured ... a linear, practical thinker ... is he strategic?
- (12) Relating talents explain the *who* of a person. They explain *whom* he trusts, *whom* he builds relationships with, *whom* he confronts, and *whom* he ignores' (Buckingham and Coffman (2005: 84-85, emphases original).

Further, Buckingham and Coffman (2005: 149) argue that 'Every person has a unique set of talents, a unique pattern of behaviors, of passions, of yearnings.' 'Your skills and knowledge are relatively easy to identify. Your talents are simply your recurring patterns of behavior. They are your very essence' (Ibid.:101). However, these individual competencies, without working in teams, working with others and sharing those competencies are insufficient for organizational performance.

The most valuable organizational knowledge is created in collaboration with people of different skills, knowledge and competencies. The new world of work described by Tappin and Cave (2008: 118-124) as more international and dispersed, and globally located where remote working and increased collaboration will be supported by technology. In the future the workforce will be more heterogeneous and multigenerational which means that VETS (64-83 years, 5% of the total workforce), baby boomers (44-63 years, 37% of the total workforce), Generation X (24-43 years, 40% of the total workforce), and Generation Y (4-23 years, 18% of the total workforce) will be working together. Referring to the McKinsey Global Institute's report (2008) Tappin and Cave (2008: 120-121) compare these age generations based on the following characteristics: influences; attitude; resonant themes and characteristics; money; how they connect with the world; motivators; stressors; perception by other generations; and how they can be managed.

Leading a diverse and multigenerational workforce has both its advantages and challenges. Advantages are that combining the different skills and knowledge of these age groups could lead to a better business performance. However, 'leading a multigenerational workforce is one of the biggest challenges of leadership' (Ibid.: 123). Goriup and Šoba (2015: 109, emphasis added) conclude their empirical research about intergenerational learning by stating that the effectiveness of the knowledge society is influenced by 'the globalization processes and intergenerational integration, as well as (and in particular) the cultural capital of younger generations and last but not least, the *willingness of all generations to participate in the transmissions and acquisition of knowledge.*' The leaders' task is to create this 'willingness to share' working attitude by engaging talents at work (*cf.* Figure 1.).

The definition of generations is typically based on the period they were born.

According to this in the literature they talk about the following: veterans, the post-war generation, generation X, generation Y, generation Z. Obviously, generations have different experiences, skills, knowledge, attitude, and aims. But combining these differences and creating a sharing and supportive working environment leads to higher participation, motivation, self-actualization and consequently to higher organizational performance. Leaders ponder if they should motivate different generations differently. In Poland there has been quantitative research conducted (sample size of 700, 47 selected measurements of motivating people) with the aim of finding out what motivates different employee generations (Steinerowska-Streb and Wziątek-Staško 2016). The most important motivational factors were as follows: job security, a friendly atmosphere at work, good relations with co-workers, a recognition of the importance of the life-work balance, opportunities to demonstrate one's initiative and creativity, independence in decision making and performance, among others. The researchers conclude that 'despite the fact that there are a lot of generational differences, there are not key differences in the case of motivational factors for particular groups of people'.

In short, the tasks of leaders are to connect and communicate and to create a sharing and caring work atmosphere by engaging talents at work (*cf.* Figure 1.). This leadership challenge of the twenty first century knowledge-based economy requires that 'great leaders in the coming decade must embrace, encourage, and deploy difference ... They must provide the values, cultural glue, and leadership' (Tappin and Cave 2008: 124). These are necessary conditions for engaging talents at work.

Concepts of work engagement (WE) (*cf.* Figure 1.) and employee engagement (EE) are often used as synonyms. Employee engagement is an evolving concept and it can be defined in several ways. 'The definition and meaning of employee engagement is unclear and vague and has been interchangeably misused with many different terms' (Dagher, Chapa and Junaid 2015: 237). Dagher et al. (2015: 236-239) provide the historical evolution of employee engagement when they examine its relation to the self-efficacy construct. They argue that employee engagement 'promotes an integration of individual through a sense of satisfaction and by extension commitment to the company through continuous improvement ... engaged employees display emotional connection (emotion) while performing their duties and responsibilities (behavioral) and will display a mental absorption (cognitive) ...' (Ibid.: 234). Dagher et al. (2015: 240) offer fourteen definitions of employee engagement. When examining how these definitions evolved during the 1990-2009 period it could be stated that the three characteristics of EE, i.e. affective, physical, and cognitive, could be detected in almost all definitions.

There is a literature review on EE provided by Jakubik and Vakkuri (2015: 8-10) that discusses how EE is defined from different theories' perspectives (e.g., job demand-resources, conservation of resources, self-determination theory, social exchange theory, identity, social intelligence, theory of flow, knowledge creation

theory). The authors argue that EE in the literature is often presented as a very positive psychological state and that there would be a need to explore the negative sides of EE like burnout, exhaustion, workaholism, falling creativity, and deteriorating family relations. Ledford (2011: 293-294) argues that there are three concepts closely related to EE job satisfaction, job involvement, organizational commitment. He also discusses if high engagement is always a good thing writing that 'Several studies link high levels of job involvement to neuroticism and burnout' (Ibid.: 294).

According to Kahn (1990) the three psychological *conditions* that affect EE are meaningfulness, safety, and availability. Pratt and Ashforth (2003: 313 in Cameron, Dutton and Quinn [Eds.] 2003) present a model of meaningfulness in work and at work from an identity perspective. Meaningfulness in work is a feeling of an employee that his or her contribution of performing a task is valued. Meaningfulness at work is a feeling that is related to both to the role performed in work and to some kind of membership, belonging to a community. Safety means that that an employee is being able to work without a fear of making mistakes or any negative consequences of his or her actions. Availability means that an employee has the psychological, emotional and physical resources required to perform the job.

Similarly, according to Quantum Workplace (2015: 11-12) research on employee engagement based on responses from more than 440,000 employees at nearly 5,500 organizations the six top engagement drivers, with more than a 0.75 correlation, are: 1) The leaders of this organization are committed to making it a great place to work. 2) I trust the leaders of this organization to set the right course. 3) I believe this organization will be successful in the future. 4) The leaders of the organization value people as their most important resource. 5) I see professional growth and career development opportunities for myself in this organization. 6) I trust the senior leadership team to lead the company to future success. In brief, the top three themes emerging are: confidence in leadership, commitment to valuing employees, and positive outlook on the future. When talents feel appreciated and their contributions are valued, they find meaningfulness and purposefulness in their work (*cf.* Figure 1.).

Organizational performance (OP) depends on competences, commitment and the contributions of people they employ. However, people have their own demands from the organization they work for. They want 'gainful employment' (Lopez et al. 2015: 425-433). People are motivated, happy and satisfied at work when their competences are needed, their commitment is appreciated, and when their contributions are valued. According to Lopez, Pedrotti and Snyder (2015) gainful employment has nine characteristics: 1) happiness and satisfaction is at its heart 2) positive engagement and involvement 3) companionship of and loyalty to coworkers, bosses, and companies 4) a working environment that respects and appreciates diversity 5) safe working environment 6) variety of duties performed 7) purpose derived from providing products or services 8) sense of performing well and meeting goals 9) income for one's family and oneself.

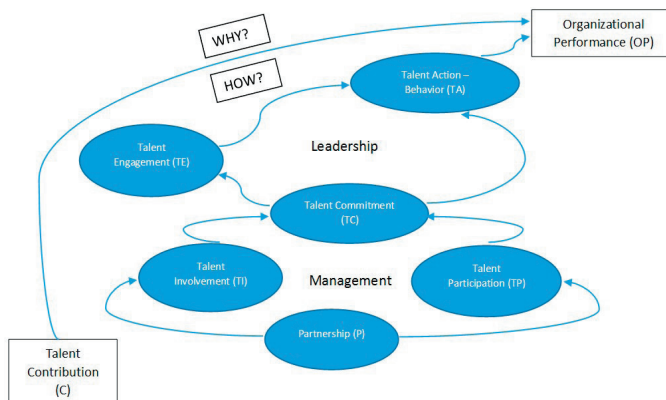
A general goal for all organizations is to become a high-performance work system (HPWS). The goals could be identified as measurable and as qualitative. On the one hand organizations want to be efficient, effective, productive, and profitable, to have a competitive advantage and economic success. On the other hand, organizations want to follow ethical and legal codes, they want to act with social responsibility, they want to provide place for socialization, belonging, community, well-being, happiness, satisfaction, and personal growth. The goal of this paper is not to measure the impact of talent engagement on organizational performance but to explore how talent engagement could be achieved. When leaders and managers succeed, then talents find meaningfulness in their work, they will become committed, engaged, and they will contribute to the goals of the organization.

Summing up, in this part of the paper the context of talent engagement (Figure 1.) and its main building blocks - the knowledge economy as context, skills and knowledge, talents, work engagement, and organizational performance - were briefly discussed. Understanding these concepts is the foundation of the talent engagement framework to be presented next.

3. TALENT ENGAGEMENT FRAMEWORK

The goal of this paper is to provide a framework that helps to understand how talents can be engaged in the knowledge economy and how this contributes to organizational performance. Figure 2 presents the proposed framework. In order to maximize talents' contribution (C) to organizational performance (OP) talents should be in some kind of *partnership (P)* with the organization. This partnership means a relationship between the employer and the employee. Foot and Hook (2011: 76) argue that partnership is an evolving concept and they came up with several definitions of partnership.

Figure 2.: Talent engagement framework



Source: Created by the author

The simplest definition is: partnership is when 'employers and employees working together jointly to solve problems' (ACAS 1997: 13). A more detailed definition of partnership includes the following: commitment to success of the enterprise, building trust, recognizing legitimate roles and interests, employment security, information and consultation, sharing success, training and development (Industrial Relations Services 2004: 15). Foot and Hook argue that the three commonalities between different definitions of partnership are the importance of security, the common aim of business success, and the employee voice.

Partnership is directly connected to talent *involvement* (TI) and *participation* (TP). If employees, talents are involved and actively participate in achieving the common business goals it will lead to *commitment* (TC). According to Ledford (in Berger and Berger [Eds.] 2011: 292) 'Employee involvement is a set of management practices that extend decision-making power, business information, technical and social skills, and rewards for performance.' Furthermore, he adds that involvement 'is a property of organizational systems and not individuals' (Ibid.). He distinguishes three types of involvements: suggestion involvement, job involvement, and the combination of both, which he calls high involvement. Participation is a distinct concept from involvement and it is related to power in decision-making. High productivity, efficiency, effectiveness, higher organizational performance are the results of high involvement and engagement. Managerial practices play a vital role in involvement and participation that lead to commitment (Figure 2.). Commitment is an attitude, it is a combination of cognitive, emotional, and moral skills. Moss Kanter (2001: 204-216) argues that commitment has three dimensions: mastery, membership, and meaning. She adds that money could be considered as the fourth M of commitment. Moss Kanter writes that commitment 'involves a set of linkages between people and organizations that build on human capabilities. People have cognitive, emotional and moral skills' (Ibid.: 206). With her words *mastery* she means caring about today and thinking about tomorrow; *membership* is cementing the We and caring about Me; and *meaning* is believing in a larger purpose.

Figure 2. shows that talent commitment (TC) as an attitude could drive *behavior, action* (TA) and at the same time TC could lead to a higher level of positive attitude toward work i.e., *work engagement of talents* (TE). Newman, Joseph and Hulin (in Albrecht [Ed.] 2010: 43-61) discovered strong correlations between job attitude - as they call it the '*A-factor*' - and job satisfaction (0.71), affective organizational commitment (0.84) and job involvement (0.63). Job attitude and employee engagement are highly interrelated (0.77) as well. Similarly, Ledford (2011: 295-297) examined how employee involvement leads to employee engagement, and how this results in organizational effectiveness such as increased job performance, increased citizenship behavior, and reduced withdrawal behavior (turnover, absenteeism, etc.).

Action and behavior (TA) depend on commitment (TC) and engagement (TE) but it has other influencers as well. Values, beliefs, motivational factors, passion,

drivers such as challenges, colleagues, and money can all play an important role in actions. Engagement is some kind of attitude of putting your real self (mental - cognitive, emotional - affective, behavioral - physical and social - moral) into your work. Talent engagement (TE) is when talents are passionate about their jobs and they are willing to go the extra mile. The transition from commitment (TC) to engagement (TE) depends highly on the intrinsic motivational factors (habits, attitudes, drives) but the role of managers or leaders is essential too. Good, open communication and prompt feedback, care, listening, appreciating, valuing, and providing clear goals and resources will facilitate a higher level of TE that could lead to higher level of contribution to the common goals and success of the organization.

Finding out the determinants of employee engagement (EE) and their impacts on both individual and organizational performance is a hot topic in contemporary research. Anitha (2014) based on causal study of 383 responses to 700 questionnaires found out that among the seven drivers of EE (i.e., workplace well-being, organizational policies, compensation, training and career development, team and co-worker relationship, work environment) the work environment and the team and co-worker relationship had the most significant impact on EE. 'This signifies the importance of a healthy work atmosphere and good interpersonal harmony with fellow members in the organization for anyone to be engaged positively at work.' (Ibid.: 318). Schroeder-Saulnier (in Berger and Berger [Eds.] 2011: 340-348) focuses on the relationship between EE and organizational performance, and argues that engagement matters because 'A direct line can be drawn through engagement to retention, productivity, customer satisfaction, and financial performance' (Ibid.: 340). She identified the seven drivers of organizational performance as follows: leadership; structure, roles and capability; people systems and processes; strategy; positive work culture; employee engagement; and customer satisfaction. In her conceptual model of organizational effectiveness (Ibid.: 342) employee engagement plays a central role. She argues that the role of leadership in EE is essential in creating a positive work culture (cf. Figure 2.).

How does the concept of talent engagement (TE) differ from EE? It could be argued that TE is a special dimension or a segment of EE. Employee engagement or work engagement is a broader category. Both EE and TE has their cognitive, affective, and behavioral dimensions. However, TE requires that competence as an ability, commitment as willingness, and contribution as purposefulness exist at the same time (cf. Figure 1.).

Summing up, here the talent engagement framework (Figure 2.) is presented with the aim of contributing to a better understanding of how talents can be engaged in the knowledge economy and how their contribution could lead to organizational performance. The following part of the paper is a discussion about the challenges of talent engagement.

4. CONCLUSION

The goal of this theoretical paper was to answer the following question: ‘*How can talents be engaged at work in the knowledge economy?*’ by proposing a framework for talent engagement (*cf.* Figure 2.). The research methodology is literature review. The research question could have been formulated as a *why* question. In that case answering it would have been easier. There has been a lot of empirical research in this area (e.g., Quantum Workplace 2015; Dagher et al. 2015; Ledford 2011 and Ulrich and Ulrich 2011 in Berger and Berger [Eds.] 2011; Albrecht [Ed.] 2010; Gallup Employee Engagement) that emphasize the positive impact of work engagement on organizational performance. They argue that engaged employees contribute more, feel happier and more energized, and their organizations have higher profits, higher sales, and an increased market share (*cf.* Jakubik and Vakkuri 2005; Quantum Workplace 2015). Furthermore, there are numerous studies that show the relationships between engagement and its different influencers and dimensions. The number of engagement models is tremendous (*cf.* Albrecht [Ed.] 2010). However, all these models are context specific and have been created for proving specific hypotheses (e.g., Dagher et al. 2015 examine the relationship between dimensions of engagement and self-efficacy constructs in a non-western context).

Therefore, the author of this conceptual paper realized the need for a general framework showing *how* talent engagement happens, how the concept of ‘*Marshaling Talent*’ can lead to performance. The proposed model (*cf.* Figure 2.), as the outcome if this research, is a theoretical model. It shows the process of engagement and the connections of engagement-related concepts presented independently in the literature. The framework presents *how* they together lead to organizational performance. Because the proposed talent engagement framework is on a general level it is important to discuss how this process works, how the elements of the model are interconnected.

Next, the discussion will be about the following challenges of engaging talents at work:

- Are there any bosses and subordinates in the knowledge economy?
- What is the role of trust in the knowledge economy?
- Are talents loyal and committed to the organization?
- What factors are the drivers of engagement?
- What motivates talents to become engaged at work?
- Can talents be managed?
- Who are the good managers and good leaders?
- How can managers and leaders be the catalysts of engagement?

The knowledge economy (Figure 1.) relies on knowledge workers, knowledge professionals, and talents. According to Drucker (2008: 37) the three main characteristics of the knowledge economy are 1) the infinite nature of knowledge 2) up-

ward mobility and 3) the potential for failure as well as for success. He argues that 'knowledge workers are not *subordinates*; they are "associates" ... knowledge workers must know more about their job than their boss does - or else they are not good at all' (Ibid.: 71, emphasis original). Drucker believes that knowledge workers' talents cannot be managed; they have to manage themselves. The old ways of superior and subordinates working relationships will not work with talents in the future. Concurring with Drucker, Moss Kanter (2001: 226) argues that the new generation and talents would like to take control of their career, they want to take their future into their own hands, they do not want to be subordinates. Talents are seeking meaningfulness in their lives and in their work.

Partnership, involvement, participation (Figure 2.), cooperation, collaboration, and communication with colleagues and other stakeholders all have positive impacts on knowledge sharing behavior and on commitment. However, they require intra- and inter-organizational *trust*. Trust in the knowledge economy is the prerequisite for exchange of ideas and innovations. Sharing tacit and explicit knowledge effectively makes the organization more successful, as it lowers costs, increases productivity, and enhances innovation. The ability of an organization 'to develop and foster trusting relationships becomes a competitive advantage in the new business environment' (Zanini and Musante 2013: 488). Talent engagement requires a working environment where people trust each other and there is no fear of punishment if mistakes are made.

How can we maximize talents' input to the business performance? How can we provide for them meaningful and challenging work? How can we get their *loyalty* and *commitment*? How can we create an engaging atmosphere with collegiality where they will be ready to bring their cognitive, emotional and behavioral competencies to their work? The commitment and loyalty of knowledge workers is reinforced by providing training for future work, giving challenging assignments, having good colleagues, and a good salary. Moss Kanter concludes that 'The money has to be right, but you can't buy loyalty just with money. Building long-term commitment depends on the nature of the work itself, the opportunity to grow and stretch, the chance to speak up and be listened to, and the feeling of making a difference' (2001: 226). Loyalty depends on affection towards coworkers, a pleasant work environment, an easy commute, challenging work, and flexible work hours (Moss Kanter 2001: 205). However, Drucker has a different opinion. He argues that 'There is a lot of talk about trying to restore a knowledge worker's loyalty to their employing organization, but such efforts will go nowhere. Knowledge workers may have an attachment to an organization and feel comfortable with it, but their primary allegiance is likely to be to their specialized branch of knowledge. ... knowledge workers have mobility. They can leave. They own their *means of production*, which is knowledge' (Drucker 2008: 41 and 72, emphasis original). Knowledge workers are highly mobile. Their mobility is recognized by Moss Kanter as well (2001: 198-199) when she refers to Todd L. Pittinsky

who used the term *'knowledge nomads'* for knowledge workers. Moss Kanter writes that knowledge workers 'are loyal to an industry, to a technology, and to their profession, rather than to a particular company. This high mobility of knowledge workers and talents, however, makes the transfer from commitment to engagement (Figure 2.) at the same time more difficult and more important.

As it was mentioned earlier, moving from engagement and commitment to action and from action to organizational goals (Figure 2.) depends on values, beliefs, motivational factors, passion, and on other drivers such as challenges, colleagues, and money. Aon Hewitt (2010: 7) defines the six *drivers* of engagement as: 1) *quality of life* (physical work environment, work-life balance) 2) *work* (work activities, sense of accomplishment, resources, processes) 3) *company practices* (policies and practices, performance management, brand alignment, company reputation, diversity) 4) *people* (senior leadership, managers, colleagues, valuing people, customers) 5) *opportunities* (career opportunities, training and development) and 6) *total rewards* (pay, benefits, recognition). There are similarities between these six drivers and the seven determinants indicated by Anitha (2014) and the seven drivers of EE identified by Schroeder-Saulnier (in Berger and Berger [Eds.] 2011: 340-348).

Talented employees want to grow. The growth values according to Autry (1991: 158-159) are: spontaneity (risk, freedom); feeling connected to others; vulnerability; self-knowledge; wisdom (truth, ability to learn); authenticity (being the same wherever you are); truth at any cost (accept pain); communication with others; and potential. What *motivates* knowledge workers are the following: getting satisfaction from their work; performing challenging tasks; believing in the organizational mission; having the possibility for continuous training; and seeing the impact, the results of their work (*cf.* Steinerowska-Streb and Wziatek-Staško 2016). Collaboration with colleagues and sharing knowledge is an essential condition developing both organizational (innovation, knowledge) and individual (personal development, learning skills) capabilities. Human resources researchers, Iqbal, Toulson and Tweed (2015) found that extrinsic motivational incentives (i.e., financial reward and recognition) do not work with talents and that they have a minor, sometimes controversial, impact on their knowledge sharing behavior. They conclude that 'rewards are less effective in improving knowledge sharing behavior compared to HRM practices like employees' collaboration and participation' (*ibid.*: 2015).

Managers and leaders play an important role in 'Marshaling Talent' during the journey to performance (Figure 2.). Can talents be managed? Who are good managers and good leaders? How can managers and leaders be the catalysts of engagement? Knowledge workers and talents (*cf.* Tappin and Cave 2008: 121) do not want to be managed by their superiors, they want to be equal partners at work, and they want to be lead. Knowledge workers have to manage themselves (Drucker 2008: 481-497) by asking: Who am I? Am I a reader or a listener? How do I learn? (*cf.* striving, thinking, and relating talents by Buckingham and Coffman 2005) What are my strengths? How

do I work? What is my contribution? Where do I belong? What are my relationships? (cf. Pratt and Ashforth in Cameron, Dutton and Quinn [Eds.] 2003: 313) What are my values? What are my responsibilities?

Engaging talents at work requires good managers and good leaders. According to Lopez, Pedrotti, and Snyder (2015: 434, emphasis added) the ten common characteristics of the very best bosses are that they: provide clear goals and job duties to employees; have personal awareness of biases and power differentials and strive toward cultural competency; are genuine and authentic in their interactions; are ethical and demonstrate moral values in their interactions; are honest and a model of integrity; *find employee talents and strengths and build on them*; trust workers and facilitate their employees' trust in them; encourage diverse views from diverse employees (cf. multigenerational workforce, Tappin and Cave 2008: 123; Goriup and Šoba 2015; Steinerowska-Streb and Wziatek-Staško 2016) and accept feedback about themselves; set high but reasonable standards for employees and for themselves; are not just friends to employees but can deliver corrective feedback. They argue that when a boss has these characteristics employees are more productive and happier at work.

Engagement is a higher level of commitment (Figure 2.). To make this jump in attitude is the challenging task of leaders. The role of management in this process is to become a 'catalyst'. The four core activities of the 'catalyst' role are *'select a person, set expectations, motivate the person, and develop the person'* (Buckingham and Coffman 2005: 56, emphasis original). They write about managers as 'catalysts' that: 'When selecting someone, they select for talent ... not simply for experience, intelligence, or determination. When setting expectations, they define the right outcomes ... not the right steps. When motivating someone, they focus on strengths ... not on weaknesses. When developing someone, they help him (*sic.*) find the right fit ... not simply the next rung on the ladder' (Ibid.: 63).

The author of this paper concurs with Buckingham and Coffman (2005: 164) in that 'for great managers, the core of their role is the catalyst role: turning talent into performance. So when they spend time with an employee, they are not fixing or correcting or instructing. Instead they are racking their brains, trying to figure out better and better ways to unleash that employee's distinct talents ...'. This catalyst role is the key to reach talent engagement from talent commitment that will lead to a behavior that adds extra value to organizational performance (Figure 2.).

On the whole, this conceptual paper has an ambitious goal: contributing to a better understanding of the complexity and challenges of increasing organizational performance through talent engagement in the knowledge economy. The outcome of the literature review is the proposed talent engagement framework (Figure 2.) as a journey to performance. It combines several concepts into a system that could clarify this phenomenon. However, it is apparent that both the framework and this paper have several limitations. The discussion about the challenges of talent engagement should be developed further. In the future the model should be tested in practice by

conducting empirical research with leaders and talents from a multigenerational workforce. It would be beneficial to receive constructive feedback, both from scholars and business practitioners, about developmental areas and the usefulness of the proposed model. The author of this paper calls for more discussion about 'talent engagement' as a challenging but important phenomenon.

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