

A Study On Talent Management In Start-Ups

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Abstract — In the current economy people are seeking opportunities to start an entity. But launching a start-up and succeed needs to be able to hiring and retain talented employees. It's an open secret that talent availability and sustain are among the biggest challenges that Indian start-ups face today. Start-ups face challenges like funding, team-building, ideation in addition to attracting talent at a very early stage. But the toughest challenge faced by start-ups is not funding, hiring most skilled employees. This study focuses on identifying the reasons behind wariness and hesitancy to join in start- ups and analyse the comprehensive programs followed by the start-ups to attract talent. So in today's competitive world start-ups must think "out of the box" with innovative hiring approaches to attract dedicated courtships for mutual benefits.

IndexTerms — Startups, Talent Attraction, Talent Retention

I. INTRODUCTION

Everyone has a dream to start a company. But in today's environment/world competition is more to get resources like funds, manpower etc., Because of this, many graduates prefer to join in established entities who are attracting them with six digits salary. But some people are taking it as challenge and becoming entrepreneurs. First, they thought funding is a big problem later they came to know that getting talented people is very much difficult, why because availability of talented people are scarce and they are not willing to join in start-ups.

A start-up company (start-up or start-up) is an entrepreneurial venture which is typically a newly emerged, fast-growing business that aims to meet a marketplace need by developing or offering an innovative product, process or service. A start-up is usually a company such as a small business, a partnership or an organization designed to rapidly develop a scalable business model[6].

In today's business environment retaining talent has become more important than ever. Emerging from a recession means that opportunities are on the up and for many businesses a recruitment drive is back on the agenda. This gives star performers the opportunity to look elsewhere and retaining these employees becomes an important task for the business. This attraction and retention is very difficult in start-ups.

It is difficult to find a suitable talented people because usually they are compensated with handsome packages by mncs or big corporations and their threshold for not joining start-ups is pretty high.

"Take our twenty best people away from us and I can tell you that Microsoft would be an unimportant company"----Bill gates

It's an open secret that talent availability is among the biggest challenges that Indian start-ups face today. And, this challenge stems from two facts; one, that we still perceive working in a start-up as an alternative (less successful) career path, and two, there's a genuine lack of employees who possess the right skills to work in a particular domain (a good example being, dearth of data analysts and of people trained in Python – a much needed programming skill).

Start-ups are essentially of two kinds. One that starts something ground up, something that no one has thought about and is often ground breaking. This type of start-up is difficult to create but once created often sees unprecedented growth. The second kind of start-ups that we see around us is primarily the ones that do not want to reinvent the wheel. They are akin to adding old sauce in a new dish to create something new and innovative [1].

II. REVIEW OF LITERATURE

Start-ups face challenges like funding, team-building, ideation in addition to attracting talent at a very early stage. But the toughest challenge faced by start-ups is attracting talented professionals[2]. As stated by Mr. Atul Pratap Singh, MD, Branding and Communication, V Spark brand, "In the beginning, I thought that funding to be one of the crucial aspects for any entrepreneur. But the moment I started my firm, I found that getting the right talent for your organization, especially when you are a new entrant, was a challenge".

"The major challenge is finding a person with motivation to work in a start-up. Skill comes later," says Rohit Shroff, CEO & co-founder, Holidify.

“It is a well-known fact that hiring and retaining technical talent is a tough task. The same is true for marketing talent as well,” reveals Nilesh Patel, who heads lead and task management startup, Lead squared.

“We, for example, work out of home – it’s cheaper, more comfortable and relaxed, and it really creates a feeling of community. But for many employees in India unless there is a proper ‘office’ they look down upon the startup,” says Anirudh Gupta, co-founder Tripoto.

“In general, majority of technical people are risk averse and do not enjoy a typical startup culture,” reveals rohit.

Nilesh says, “it depends on the individual. We have had cases when people joined us even when they had offers from mncs and similarly people have left us after getting an offer from mncs.”

“Perks absolutely play a big role in how we are able to recruit in a hot market” says Human Resource Director, Spare Foot, Cathy Guthrie, and Austin, Texas.

III. RESEARCH METHODOLOGY

The objective of this study is to understand the overall talent management process and the strategies followed by startups to attract and retain talent.

Data Collection:

This study is mainly focused on the talent management in startups. This study has done based on the Secondary data which is collected through journals, published articles, internet and various magazines.

IV. MODEL OF TALENT MANAGEMENT PROCESS:

Talent management refers to the skills of attracting highly skilled workers, of integrating new workers, and developing and retaining current workers to meet current and future business objectives. Talent can be found in an employee in various forms which could be in the form of their educational qualifications and skills, previous experience, known strengths or additional training they have undertaken. It could also be their abilities, potentials and motive, qualities or personality.

Understanding the Requirement:

It is the preparatory stage and plays a crucial role in success of the whole process. The main objective is to determine the requirement of talent. The main activities of this stage are developing job description and job specifications.

Sourcing the Talent:

This is the second stage of talent management process that involves targeting the best talent of the industry. Searching for people according to the requirement is the main activity.

Talent Attraction:

Attracting the talent is very crucial to the strength and overall success of a business. Attracting the right people to business relies on being perceived as an employer choice- especially at the executive level. However, to attract the best people for the business, a firm should analyse its organisational competencies. Various strategies are followed by business to attract talent such as create a positive work environment, build company’s reputation, offer competitive salary package.

Recruit and select the best Talent:

The actual process of hiring starts from here. This is the stage when people are willing to apply for and accept the job offers. Sourcing focuses on identifying desirable people and finding ways to reach them; recruiting converts these people into actual applicants. Selection process will be helpful to the business to select the right talent at the right time for the right job.

Talent Deployment:

Deployment involves assigning talent to appropriate jobs and roles in the organisation. The deployment of new talent and the re-deployment of existing employees as needed are both relevant to optimally leveraging an organisation’s talent.

Talent Development:

Developing talents are a crucial step of talent management process. Developing talents involves stretching the capabilities of employees by making optimum utilisation of their competencies and skills for enhanced performance. This requires provision of creating a learning environment where employees are enabled through organisational and self learning processes.

Talent Retention:

Retention refers to how many employees stick around over a given period of time. Retention of human resources means creating a big picture of organisations as ‘Great place to Work’ and facilitating opportunities for total learning, growth and wholesome development of people in organisation in its strive towards excellence and value creation through human capital. This is accomplished by ensuring appropriate policies, tools and techniques for maximum utilisation and retention of competent personnel.

V. STRATEGIES TO ATTRACT AND RETAIN TALENT IN STARTUPS:

1. **Build company's mission and vision.**

Founder of the company should set a long-term vision and share with their current and potential employees in the optimum way. This plays vital role to attract and convince the talent to come and work for the company.

2. **Hire your admirers.**

Hiring admirers means hiring people who will take ownership within the company and, as a result, will work harder than regular employees. Also, these people are great for word-of-mouth marketing. If they truly enjoy working for your startup, they will tell their friends how great it is to work for you and eventually, these friends will want to work for you as well. If your fans do not have the right skills for your startup, you might consider finding a place for them anyway.

3. **Creating the brand**

People trust the brand rather product and happy to join the company with trusted brand to curve their future. It is easy to attract the talent by creating wide spread brand. Most employees think that brand helps stability in the company and happy about their employment with the company in the society. It is easy to get investment and sponsorship for the widely spread brand.

4. **Be Transparent**

While recruiting talent for a position in start-up, be genuine about the role, the company, and the compensation. Though you might be tempted to gloss over company details and inflate the numbers, your candour will be a refreshing change for the candidate and will be much appreciated by him.

5. **Flexibility**

Proper work environment, flexibility is the things startups can offer to the talent which cannot offer by large companies. Let the employees work flexible timings so long as work gets done. Explore the possibilities of allowing workfrom-home policies for employees with genuine needs.

6. **Opportunity for professional development:**

The best talent is attracted and motivated by the opportunities which are useful to grow their professional careers. Startups are creating such opportunities to learn as much as possible. This plays a crucial role for the development of talent as well as the company. This facilitates employee retention.

7. **More interaction with senior employers**

Startups provide best place to the employees to work and share their innovative ideas with the senior employers. It leads to create congenial work environment in the company. It will be helpful for knowledge sharing between employees.

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