The ethics of talent management

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Organisational approaches to talent management are often concerned with the ways that a small proportion of relatively high-performing employees are identified and managed in relation to the majority. Despite a growing literature on talent management, no papers have provided any guidance on how to evaluate it from an ethical standpoint. After considering what is meant by talent, this paper considers the ethical issues that arise from the operation of talent management programmes. These considerations are then used to create a framework that has the potential to influence the practical design of talent programmes and which may focus further debate into the ethics of talent management.

Introduction

The management of high-performing and high-potential employees (talent) in organisations has attracted attention in recent years because of the assumed links between the ways that talent is managed and organisational performance (Bjork-man *et al.* 2007, Ready & Conger 2007). Talent management aims to develop and leverage human capital and is a subset of strategic human resource management (HRM) fitting with a mainstream, North American view of HRM as serving organisational effectiveness by aligning people with goals set by a top management.

The disproportionate impact made by a small group of high performers on organisational performance was brought to popular attention in *The War for Talent* (Michaels *et al.* 1997). The idea that corporations were in a *war* for high-impact employees generated new ways of thinking about the contributions that employees made and the vocabulary of HRM was supplemented by talk of 'Superkeepers', 'A-listers' and 'Stars'. This led to a rethink of the ways in which a small percentage of a workforce could be treated, and in some organisations, a two-tier experience was created: one for the 'talented' and

one for the rest. Interest in talent management is sustained by discourses of scarcity; surveys of international companies continue to identify challenges in finding and recruiting 'critical skill' employees (Ready & Conger 2007, Beechler & Woodward 2009, Towers Watson 2011, World Economic Forum 2011). Although some organisations prefer to pursue inclusive models of employee development (see Ford *et al.* 2010 in relation to the English National Health Service), the mainstream view of talent in the literature (Lubitsh *et al.* 2007) adopts an elitist perspective consistent with Pareto's 'law of the vital few', which, in this case, suggests that about 80% of an organisation's value adding derives from about 20% of its employees. This mainstream, elitist view is adopted here to provide a focus for the ethical analysis that follows.

A consistent finding in studies of the high-performance workplace is that identifying, developing and rewarding talented individuals who make distinctive contributions to organisational performance are important (e.g. see Combs *et al.* 2006). An extensive practitioner literature on talent management (e.g. Berger & Berger 2004, Lorsch & Tierney 2004) exists, but it tends to be very prescriptive and overlooks issues such as class, gender, power and

ethics. Although our appreciation of ethical issues in HRM in general, and of the biasing factors in particular HRM practices has expanded (Legge 1999, Winstanley & Woodall 2000a, Greenwood 2002, Pinnington *et al.* 2007), there has, so far, been no specific consideration of the ethics of focusing on a managerial elite of presumed high-performing and high-potential employees. This can also be said of the growing literature on talent management (Lewis & Heckman 2006, Collings & Mellahi 2009, Tarique & Schuler 2010, Iles *et al.* 2011), which is silent in relation to the ethical issues confronting organisations that operate talent programmes.

This paper departs from the main flow of the literature on talent by advancing a debate grounded in the ethical concerns that arise from the creation and treatment of what is, in effect, a managerial elite. The contribution of the paper is to show how different ethical frameworks can be used to analyse elitist approaches to talent management and to generate questions that will help HR managers make decisions about the probity of the talent management processes they are designing or which are operating in their organisations. It begins by summarising the nature of organisational talent and talent management before developing an ethical analysis of practice. The paper is intentionally pluralistic in relation to the ethical frameworks considered since the aim is to provide HR practitioners with ideas for talent programme evaluation rather than advocate any particular ethical viewpoint. A framework for the ethical evaluation of talent management is developed, which can be used to guide organisational decisions relating to programme design.

Talent and talent management

Across a range of contexts, talent has been defined as the 'superior mastery of systematically developed abilities or skills', being confined to the top 10% in a field of activity (Gagne 2000: 67). Among gifted children, Howe *et al.* (1998) saw talent as being partly innate and genetic, as something that is confined to a minority and as something that is domain-specific such as a talent displayed in mathematics or music. The genetic component should not be overstated, however, as Howe and colleagues felt that the main

determinants of excellence are differences in early experiences, opportunities, training and practice. Extending this theory to business organisations suggests that employees showing exceptional talent will make up only a small proportion of the workforce, that an individual's talents are quite narrowly bounded, that talented people need ample opportunities to hone and display their talents and that social capital accumulated in early life will be influential.

Tansley (2011) pointed to some 'terminological ambiguity' surrounding the meaning of talent. This is partly due to talent taking on specific meaning in different professional and managerial cultures and it seems likely to be seen in relation to the strategic position and challenges facing an organisation. The characteristics of the 'talented' in a profitable, global accounting consultancy and a struggling local engineering company seem likely to differ. The common theme, however, running through the concept of organisational talent is that whatever the circumstances of the organisation, the talented deliver or have the potential to deliver a disproportionately greater contribution to the business compared with others (Lubitsh *et al.* 2007), and so, by definition, the talented are confined to a small percentage of a workforce. The notions of 'high' performance and 'high' potential run through definitions of talent (e.g. Lubitsh *et al.* 2007, Collings & Mellahi 2009, Farndale *et al.* 2010, Makela *et al.* 2010, Tarique & Schuler 2010), and while the definition of 'high' in this context falls to each organisation, it typically represents the top few per cent of employees in a particular grade based on typical performance curves. If this small number were to leave, their loss is assumed to have a disproportionately adverse impact on organisational performance. A more qualitative definition of talent in an organisational context is that it is the current capability or future potential of an employee to deliver exceptional performance in relation to what the organisation wants to achieve.

As well as being an ability or capacity, 'talent' is also used collectively to describe those employees who show the ability to be exceptional. The Chartered Institute of Personnel and Development (CIPD), for instance, defined talent as 'those individuals who can make a difference to organisational performance either through their immediate contri-

bution or in the longer term by demonstrating the highest level of potential' (CIPD 2009: 2). Although these definitions extend to technical, professional and managerial domains, organisational talent programmes usually focus on management and leadership capabilities (Farndale *et al*. 2010).

Participation in a talent programme confers a range of benefits to individuals in addition to the benefits of accelerated career growth. Status derives simply from being part of an elite group (Kadushin 1995) and also accrues to those who are deemed to be the higher performers in a workplace (Shackelford *et al*. 1996). Furthermore, since anyone on a talent programme will expand his or her vocabulary around important strategic issues facing the organisation and display this new vocabulary with others not on the programme, his or her status will be enhanced since it is influenced by the amount someone talks and the way he or she talks (Skvoretz & Fararo 1996). Relatively high status in an organisation 'leads to assumptions by others that the actor is competent and a high performer' (Pearce 2011: 9) and employees endowed with status can work less hard than colleagues with lower status and yet still be seen as good performers (Washington & Zajac 2005). Higher status individuals also receive more deference from others, and thus, there is more chance they will get their way in discussions and competitions for resources (Okamoto & Smith-Levin 2001). The loss of these benefits accruing to status helps to explain negative psychological reactions in employees when their status is threatened or diminished (Schlenker & Gutek 1987), which may occur, for example, when an employee drops out of a talent programme. Recognition of these intangible benefits is important in shaping organisational sensitivity to managing employee exit from a programme if this becomes necessary.

Talent management in contrast to talent *per se* relates to a set of processes concerning 'the strategic management of the flow of talent through an organization' (Iles *et al*. 2011: 127). The CIPD (2009: 2) saw talent management as 'the systematic attraction, identification, development, engagement, retention and deployment of those individuals with high potential who are of particular value to an organization'. Collings & Mellahi (2009) drew attention to the need to identify key (strategically important)

positions, pooling high performers and creating a 'differentiated human resource architecture' that ties the talented to the organisation. It is therefore an elitist and exclusive process, focusing on only a few per cent of a workforce who are deemed to have the 'X-Factor'.

Conceptualisations of talent that become embodied in organisational competence frameworks continue to evolve. They change with the ways that top managers view how their organisations must compete, change with the demand and supply of skills in labour markets and they respond to changing political priorities such as new public management (Hood 1991, Orr 2005), which emphasises service standards, efficiency and performance measurement at unit and individual level. These new rubrics, which can be seen as heavily gendered (Miller 2009), have influenced the shape of management across the public sector in the United Kingdom and elsewhere. Organisational definitions of talent are therefore fluid in nature and inevitably evolve to keep pace with changing organisational priorities and the way that work itself changes, for example, through greater intensification, time compression and increased workloads. Given the evolutionary nature of the way critical skills are seen, the most talented can also be seen as those who adapt most successfully to their changing organisational environments (Brown & Hesketh 2004: 78).

In the same way that imaginings and definitions of talent vary between organisations, then so do the ways that employees deemed to be talented are managed in relation to others. Nevertheless, there are some common factors involved that centre around individual development and self-awareness. Talent programmes typically involve the development of a set of criteria that reflect the organisational image of talent. Employees are evaluated against the criteria often through tough appraisal and rating schemes and selected or rejected for a talent development programme. Selected participants experience a formal programme that typically includes being part of a team to work on challenging projects and job rotation to experience how other parts of the organisation operate. Self-understanding and self-development usually feature prominently in development programmes, which can include psychometric assessment and executive mentoring. Confidential

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Table 1: Differences between elitist approaches to talent management and human resource management (HRM)

Dimension	Talent management	HRM
Coverage and focus	Focus on high-potential employees: their attributes and traits relative to others.	All employees: focus on the differences between grades and roles.
Remits	Primarily on the selection, development and deployment of high potentials.	Covers all HR functions including development of policies and procedures and ensuring legal compliance.
Purpose	Develop leadership capability and maximise the contribution of high potentials in key roles and assist succession into key roles.	Manage the whole employment relationship across the life cycle of employment with the organisation. Sustain the commitment and engagement of all employees.
Experience	Differentiated HR practices may be experienced by participants.	Consistency of experience, equality of opportunity.
Influencers	A sense of competition for mobile high potentials is a strong external driver. Talent programmes are often designed by HR professionals in conjunction with top management	Over and above the influence of the HR division, an employee's experience of being managed is heavily influenced by line managers. Stronger internal and divisional focus.

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counselling and support can be included to help employees cope with the demands of high-stretch jobs that inevitably risk impacting on work–life balance (Gupta & Wasylyshyn 2009).

The absence of a talent programme in an organisation does not necessarily mean that high-potential employees are not being noticed and managed, but there can be little doubt that the design of distinctive approaches to managing talent has attracted much more interest in recent years. Examples of organisational approaches to talent management are given in Appendix 1 and are further illustrated in Tansley *et al.* (2007). The main differences between talent management and general HRM are summarised in Table 1.

Ethical considerations

This paper now considers the ethical issues and questions arising from the treatment of a minority group as a talented elite. Factors overshadowing the full and fair identification of talent are summarised before the notion of talent as dehumanising in relation to a majority is introduced. Talent management practices are then considered taking account of employers' responsibilities and the main ethical theories employed to analyse business situations.

Problems identifying talent

Talent management is typically portrayed as a neutral and normative activity that is free of biases where those with the most promise will get the best chances to rise to the top. However, while there has been no specific study of fairness in relation to the operation of talent programmes, some of the general problems that can compromise HRM practices will inevitably apply. The primary practice underpinning talent identification is the assessment of performance typically through an appraisal scheme. Biasing effects in appraisal include whether or not the rater was involved in previous appointment decisions (Schoorman 1988), impression management (Wayne & Liden 1995) and interpersonal regard or liking (Lefkowitz 2000). Appraisal is a highly political arena (Buckley *et al.* 2001), and raters may inflate ratings in appraisals in the best interests of individual and unit performance to avoid conflict and confrontation (Longnecker & Ludwig 1990). The particular ways used to appraise and assess people create a construction of the individual that has meaning for the organisation (Townley 1993) even though that meaning may involve the relegation of the individual's distinctive attitudes and behaviour and thus suppress the talents that they want to demonstrate. Unless individuality fits with some organisational ideal, then it is, in effect,

lost or, at best, subsumed in the organisation. Only when individuality resonates strongly with the organisational ideal does it stand a chance of being recognised and praised as talent. Talent recognition is also likely to be compromised by social and geographic distance, which are particular threats in multinational organisations (Mellahi & Collings 2010).

Another threat to fair identification of talent is the masculine nature of leadership. The participation of women in corporate boards is about 12% in the United Kingdom, France and Germany (Boardwomen Monitor 2008), and although women take a higher share of top jobs in the public sector in the United Kingdom, it is still only around 25% on average (Equality and Human Rights Commission 2011). These raw figures indicate that barriers to the progress of women create a personal cost in terms of equality and equal opportunities and the suppression of women's talent at the top of organisations is probably costing organisations in terms of creativity and innovation. Deloitte and Touche recognised gender inequalities and found that the male-dominated culture was a substantial causal factor. Only by tackling this entrenched culture did the retention of women improve (McCracken 2000), although the difficulties of cultural change in this respect can not be overstated (Barsch & Yee 2011).

Leadership potential is a big part of talent search and development, and the popular picture of leadership itself might be a problem for the progress of women. Although leadership theory continues to evolve, it has traditionally been described in masculine terms (Billing & Alvesson 2000), elevating the value of characteristics such as being tough, competitive, analytical, unemotional and task-oriented – characteristics often thought more likely to be displayed by men. The way we talk has a bearing on this because microlinguistic practices influence our success by influencing how we are perceived, and the context of where we talk influences a person's perceived fit in that context and hence their perceived talent. Research shows that women use different speech practices to men, and in leadership situations, their speech is more likely to adjust to reflect and accommodate the concerns of others much more than men would do (Baxter 2011). As leadership is seen as a masculine construct, and since leadership potential is a constant ingredient of talent searches,

then talent searches appear to have an in-built bias towards men. Organisations need to be careful that they are not seduced by heavily gendered views of leadership when they are looking for future talent.

Another problem affecting the recognition of women's talent is that talent is usually sought in a context of full-time, permanent jobs and long hours. Indeed, long hours can be a proxy measure for energy and drive which usually appear in organisational definitions of talent. Since a high proportion of part-time jobs are held by women, this seems another barrier to talent recognition that needs to be dismantled to accelerate movement towards greater numerical equality of women in positions of power and influence in the United Kingdom (Equality and Human Rights Commission 2011). Traditional thinking that sees talent only through a mindset of full-time jobs and long hours has to be reconsidered in organisational talent searches. Finally, a range of personal factors influences individual success over and above relative performance. Personal attractiveness influences success across a range of occupations (Hamermesh & Biddle 1994, Biddle & Hamermesh 1998). An attractive personality and high standards of personal grooming also make a difference (Robins *et al.* 2011). The implications for organisations in this respect are clear – to recognise sources of bias and to put in place systems and procedures to counteract them as much as possible.

Ethical tests of talent management

Dehumanising?

The problem of dehumanisation has been an ethical concern in HRM for some time. Johnson (2009), for instance, cites the use of information technology to monitor and control the performance of employees and Taylorist attempts to deskill jobs as potentially dehumanising because individuality and emotion are suppressed and the components of work that give meaning to employees are separated out in the process of designing the best way for the organisation to utilise their physical labour. There is also concern that techniques such as human asset accounting and human capital measurement (e.g. Robinson 2009) are dehumanising because of their emphasis on reducing employees to countable assets (Torrington 1999).

Following this critical HRM perspective, the practice of regarding a small group of employees as having special powers is also problematic because doing so can also be seen as a dehumanising act in relation to others. In the *war* for talent, while many employees will be unconcerned that they have not been selected for a talent programme as they do not see themselves as future leaders, some may nevertheless feel excluded. Signalling that others are inferior is dehumanising and exclusion could have non-trivial effects if the excluded feel that the organisation expects less of them; an action that could trigger negative emotional states. Exclusion could be read as suppressing opportunities to flourish or to express individual identity and authenticity. If members of the excluded group are harmed by these actions, done in the name of boosting organisational performance, the increases to which might be marginal, then there is an ethical problem. Exclusion from a talent programme is dehumanising to the extent that it denies individual agency, which is a distinct aspect of being human (Haslam 2006), and the excluded may simply respond to type by doing what the organisation expects of them: underperform. Dangers also exist within the group that is 'talented' as the excluded are consigned to an 'other' group, which increases psychological distance and the level of abstraction between them. In-group members can attribute more 'human essence' to their in-group associates and consider people in out-groups as less human (Leyens *et al.* 2003). This is a general problem, of course, as groups occur throughout organisations. However, the particular nature of group separation used, praising 'stars' for their contribution while downplaying the contributions of others, has enhanced potential for division (Pfeffer 2001).

Care

A core question in considering the ethics of employment is how far do employers have moral responsibilities to care for their employees? Care embodies a range of factors such as a safe working environment free from discrimination along with decent working conditions and fair remuneration. The question of care has to be considered taking into account the general level of expectations that prevail in a society (particularly in a labour market) at a particular time. If a developed economy used to full employment and rising living standards encounters serious economic setbacks such as rising unemployment, inflation and wage stagnation, then the treatment and expectations of employees are likely to change as the underlying psychological contract between employer and employee changes. Opportunities for employee development form part of the overall package of care, and talent management can be seen as a special case of caring for a small cohort of actual and potential high achievers.

In selecting an elite group for special treatment, an employer could be accused of favouring one group over others, and this becomes a problem if it is considered that in doing so it is not showing equal responsibilities towards all its employees. However, the use of talent development programmes could equally be considered to be an example of the organisation discharging its common responsibilities to all because it is doing everything it can to enable the talented to demonstrate their powers, the outcomes of which should benefit the majority. Indeed, it could be argued that an organisation was failing in its duty of responsibility if it did not prioritise high-potential employees and single them out for special treatment.

Duty ethics

Kant's duty ethics (e.g. Altman 2007) associate moral worth with doing the right thing and doing it only because it is right and so exploring the interests that lie behind elite talent programmes gives an insight into their moral worth. In considering the rights and wrongs of talent management, using talent management to benefit the organisation does not itself justify the act. Kant would ask whether talent management is right or wrong in itself; the consequences of talent management to the organisation, even if positive, are unimportant from this point of view. The selection of an elite few would cause problems in judging it a right thing to do, but this judgement would be moderated by the goodwill or intention behind the act.

When organisations implement management development programmes, they may be swayed by thoughts of improving operational efficiency in particular areas or across the board. They may also be

influenced by concerns that high-impact employees may leave if they feel that the organisation is not investing in them and, by leaving, disrupt or diminish organisational performance. Any such feelings are likely to be tempered by the inevitability that some employees will become more employable and move on. There may also be external pressures and influences to provide management development such as benchmarking against similar organisations in the same sector as a way of comparing levels of training and development expenditure and, in public organisations, pressures to demonstrate training and development strategies arising from external quality audits and reviews. Being able to demonstrate training and development strategies for high performers also helps to boost the organisation's image in the labour market (Berthon *et al*. 2005, Younger & Smallwood 2007).

We can see from this that there may be a strong thread of self-interest on the part of the organisation running through the various motivations and intentions to develop individual employees and, as such, a large part of employee development provision would fail the pure Kantian test of doing things only because they are right: that is, 'for the sake of duty not simply in accordance with duty' (Legge 1999: 156). If the intention is to raise job security and prosperity for all employees, then the organisation would be considered as doing the right thing and further questions arising from duty ethics considerations are; would you want other, similar organisations to operate a talent programme in this way (the rule of universality), would you want to be included in a talent programme similar to this one (the rule of reversibility) and are people in the programme being treated as ends not means to an end (rule of respect for humans)? Any 'no' answers to these questions compromise talent programmes in terms of duty ethics considerations. Kantian ethics, with their emphasis on pure reason, however, present difficulties for management practitioners who have to deal with the pragmatics of organisational competition and survival (Winstanley & Woodall 2000b).

Virtue ethics

Virtue ethics (Solomon 1992, Hartman 2008) is more concerned with a person's character than with rules and utilises the Aristotelian notion of 'practical wisdom', which, in business ethics, can be taken to mean making decisions that are shaped by past experience, in relation to goals and for the betterment of an organisation and/or its stakeholders. Classical virtues are very practical in the way that they influence a person's decisions and behaviour (MacIntyre 1985) and include courage, fairness and temperance and can be extended to include, in a business context, being technically competent, moral, caring and hard working (Whetstone 2003). By allowing morality and self-interest to occur together, virtue ethics provide a different perspective on the morality of elitist talent management.

Virtue ethics emphasise the notion of flourishing as the highest good, and in the context of modern organisations, flourishing can be seen as the actualisation, by individuals, of certain behaviours as might be expressed in the ways that the competences and capabilities of the talented are expressed. These can include the ability to develop other people, the ability to take courageous decisions that consider the interests of others and the ability to come through regular tests of character. The 'talented' can be seen as that vital few who provide leadership and future betterment to a majority of the workforce. They are the aristocracy in the sense that aristocracy means being led by the 'best' people; best in this case being in terms of being the most virtuous. While individuals in elite talent development schemes may be there in part to pursue their own ambitions for power and wealth, so long as these motivations are tempered by the primary virtues of courage, justice and moderation, then they are morally good (Sorrell & Hendry 1994). Indeed, an organisation, in effect, uses its descriptions of talent to shape images of itself by associating with leadership and virtues of a certain character.

The Aristotelian rule that something is ethical if it allows the full development of a person's inherent potential could cast elite talent management in a favourable light, but it is constrained by work–life balance, that is, what is happening in the person's total life world. If, in order to keep up with pressures from the organisation to continually perform at a high level, a person's work rate is so high as to damage their health or their relationships with dependents such that they begin to manipulate others to meet

their targets, then there are ethical problems as once virtuous behaviour is compromised. A further requirement for virtue ethics is that people do really have the potentialities that can be developed and that they can be identified. It is here where an organisation's description of talent (e.g. in a competency framework) and its ability to fairly assess people against the framework fall into sharp focus. Virtue ethics therefore requires organisations to ask to what extent their descriptions of talent, albeit shaped by particular operating cultures and norms, match generally accepted schema of virtues in business contexts (e.g. Whetstone 2003). Organisations are the primary moral agents since they decide to establish talent programmes and they decide what virtues the programmes will aim to develop.

Justice

Distributive justice theory (Rawls 1972), which is based on the primacy of justice in societies and social organisations, provides another way of looking at elitist talent management. From a Rawlsian perspective, talent management can be seen as a way of distributing development opportunities on the basis of each person's present and future contribution to the organisation. Contribution may be seen as the effort given to a job but could also be seen in terms of an employee's creativity and innovation in relation to organisational priorities. It seems likely, however, that some employees who are excluded from opportunities might feel that they have worked just as hard but somehow failed to be recognised as talent and so consider that they have suffered an injustice. Rawls' position would be, however, that most people would not object to some inequity so long as the inequality (in this case, having more social and economic benefits) is not based upon the efforts of those who are excluded from a talent programme. For our purposes, so long as employees in a talent programme benefit from their own efforts and contributions, and not because of the efforts and contributions of others, then a talent programme fits with distributive justice theory. Furthermore, for the majority to accept a level of 'conditional inequality' and provide their cooperation, it is necessary for everyone to benefit in some way (Hosmer 1987), for example, through enhanced job security. In this arrangement,

inequalities would be working for the benefit of all, including some who might be considered low performers or those who are in jobs that have very limited potential to contribute to the economic growth of the organisation where talent is much less likely to be identified, for example, part-time, low-skilled employees.

Another feature of distributive justice is the 'equal opportunity' principle such that people would not agree that some groups should have more opportunity to develop their talents than others (Schumann 2001). As this is about equal opportunity not equal distribution of outcomes, the implication for talent programme designers is to ask, even though most employees fall outside the programme, is the organisation providing opportunities for them to develop their talents and abilities? Although they are not in the talent pool, is the organisation providing opportunities relative to their position, contribution and potential? Rawls' 'difference principle' can also be used to inform talent management decisions. This says that people with above normal talents and abilities should help others who are in need up to the point that further help would make everyone worse off (Schumann 2001). For this paper, the implication is that the resources put into a talent programme should not exceed the point beyond which those excluded are disadvantaged. This could happen, for example, if an organisation spends all its training and development budget on an elite group, leaving nothing for the majority.

Stakeholder theory and utilitarianism

Returning to the question of the extent to which employers have a moral responsibility to their employees, stakeholder theory (Freeman 1984, Stieb 2009, Greenwood & Freeman 2011) lends some assistance. Stakeholder theory relies on the principle that managers have duties, not just to the owners and shareholders, but towards all parties (stakeholders) that have interests (as defined by a level of risk) in the organisation. Stakeholder theory is a close relation to act utilitarian approaches to ethical evaluation (Collett 2010) as utilitarianism is based on the assessment of the amount of good and harm that would be done to different constituents in a decision situation. The act that maximises benefits over harm, taking

everyone into account and thus maximises utility is the one that should be carried out even though some parties might be harmed (Snoeyenbos & Humber 2002).

Employees are legitimate stakeholders in an organisation because they have a risk in continuing to belong to it – a risk of career stagnation and loss of future income growth, a risk of reduced employability and, ultimately, a risk of job loss. If we accept that employees have a risk in working for a particular organisation, then it follows that those who benefit from the risk (the organisation) should recognise it and return a benefit in kind to the risk taker (Greenwood & De Cieri 2005). This benefit is normally a salary and decent working conditions, but how far does responsibility go beyond that? If the organisation is a moral actor and if employees have a moral stake, then how far does the organisation have a responsibility to provide opportunities to develop its employees given an uncertain and, for many employees, insecure labour market? How far should organisations go in providing development opportunities beyond the bounds of self-interest, which are set by the skills and competences relevant to the particular job the person has? The high-performing and high-potential employees in an organisation could be seen as a distinct stakeholder group as they have a particular interest in seeing the organisation enhance its market position. They will benefit from the total rewards (financial and psychological) of being seen as high performers and could argue that as relatively high performers, they have a right to some sort of different exchange. Organisational failure to focus on high performers could be interpreted as doing harm to them as a stakeholder group, and running an elite talent group from this perspective is merely consistent with Gouldner's (1960) principle of reciprocity.

Another consideration in evaluating the ethicality of talent management is if we accept that treating a small group differently is fair because the majority benefit, then how much extra organisational resource should be given to the elite group? This question must be answered in terms of the resources (pay and conditions) given to other employee groups. If other employees are experiencing deteriorating pay and conditions and little real opportunity for satisfaction from personal development and

meaningful work, then the resources devoted to an elite group should be seen in proportion. Elitist talent management fits with stakeholder theory so long as the organisation is doing the best it can to get outputs from the workforce for the overall good of all employees as stakeholders even though in doing so the majority of employees are overlooked for special treatment.

However, talent management can only pass this utilitarian test if it can be shown that its outcome truly does maximise the beneficial outcomes for all those affected by it. If operating a talent programme produces more overall good than alternative courses of action, then its moral worth is enhanced. Arising at such a judgement, however, is very difficult because the outcomes of untried alternatives can not be known with certainty nor can organisations know all the interests of other parties involved (Greenwood 2002). Hence, judgements have to be made against assessments of the probabilities of possible future outcomes and consequences for different groups. Judgements can only be made 'in the round', summing up what the organisation knows to have happened against known interests. If a talent programme is judged to have produced good leaders who have generated new business and underpinned job security for a majority, then the programme could be judged to have passed the utilitarian test. If the programme only produces career benefits to the 'vital few' without clear benefits for a majority, then the programme would fail the test.

A summary of elitist talent management in relation to the ethical theories considered here is shown in Table 2.

An evaluation framework

Arising from this analysis, a framework is constructed to help organisations make judgements about the ethicality of a talent programme that they are running or designing. None of the different ethical belief systems outlined here gives an unequivocal way of determining whether a particular form of talent programme is right in an ethical sense. This does not, however, mean that they should all be disregarded as all have something to offer. HRM practitioners can take ideas and guidance from each

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Table 2: The ethics of elitist talent management

Ethical belief system	Summary implications for elitist talent management
Duty ethics	The goodwill and intentions behind talent programmes govern their ethicality. If strong self-interest is present in organisational motives, the action would not be ethical.
Virtue ethics	Talent management is ethical if it properly identifies employee potential and enables participants to reach their potential in the fullest sense (not just for the organisation's benefit) and if other employees are not denied opportunities.
Distributive justice	An elite group is justified so long as participants are there on their own merits and not because of the labours of those who are excluded. The excluded should benefit in some way and not be denied opportunities for themselves.
Stakeholder theory	So long as a talent programme benefits its participants and other stakeholders (e.g. other employee groups and investors) and is done to strengthen the organisation, then it can be considered as moral.
Utilitarianism	Participants in talent programmes can be seen as a means to an end (e.g. to give greater innovation or job security) if the majority benefit. A talent programme is moral if it maximises good to the greatest number and gives the least harm to others.

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Figure 1: Four-stage evaluation framework
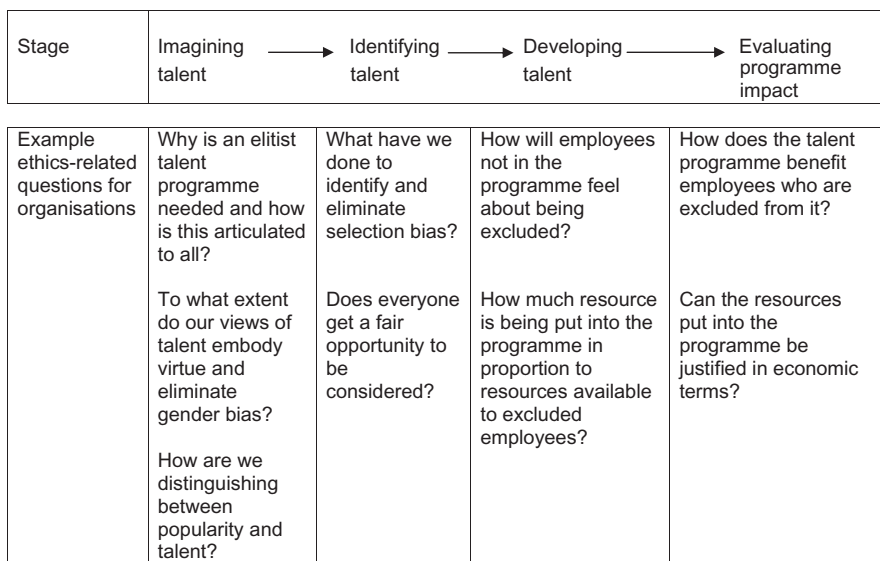
ethical system to ask, for example, would we want others to act like this, how well do our views of talent embody virtues, how would all interested groups benefit or be harmed and how will the cooperation of all employees be affected? By drawing on ethical pluralism in this way, it is more likely that practitioners will identify and consider a broad set of relevant moral issues before coming to judgements about how to best design talent programmes in their organisations.

The framework for the ethical evaluation of talent programmes, which is proposed in Figure 1, calls for considerations at each of the four stages of imagining talent, identifying talent, developing talent and assessing the impact of the programme. The imagining stage requires the conceptualisation of bundles of knowledge, skills and abilities that signify and capture the competences that are needed for future health and prosperity. It is vital at this stage to capture real organisational needs and to ensure that dominant voices do not force the adoption of an inaccurate and possibly narcissistic or gender-biased skills framework. At this stage, organisations also need to identify and justify the strategically impor-

tant roles that will be filled by high impact employees. The level of exclusivity underpinning the programme needs justification in relation to how the majority will benefit. Talent identification calls for the recognition and assessment of factors that could lead to biased decisions such as geographic separation from decision points and the particular design of appraisal schemes. Interventions to reduce bias are required, for example, training for decision makers to raise awareness of the sources of bias and their effects on individuals and organisation.

At the programme design stage, organisations should consider how the programme is styled in the organisation and the signals that this particular style will send to those who will not be included. Psychological reactions from people excluded from the programme should be considered and communication strategies shaped to cope with adverse or cynical reactions. Programme evaluation calls for consideration of the impact on the business, for example, through the generation of ideas and thought leadership but also through quantitative indicators. It is also necessary to evaluate how participation in the programme impacts upon individual well-being. The evaluation stage should lead to ideas for modifying, or at least questioning, the design and operation at the previous three stages.

Conclusions

This paper has explored the ethics of elitist talent management and adds a new dimension to the expanding literature on the subject. While many organisations feel that it makes sense to single out a professional and managerial talent group for special treatment, HR managers need to consider the ethics of doing so and many of the problems and concerns that might arise are identified here. The paper identifies several areas of ethical challenge to elite talent programmes and two challenges in particular suggest areas for further research. One is the full and fair identification of those who are contributing far above average or who have the potential to. There is scope for more research into how national cultural factors such as collectivism and performance orientation influence talent recognition. Research into the different approaches to talent management across organisations in different business sectors and professional cultures could also be revealing. For example, the questions raised by this paper may play out differently across profit-seeking and public sector cultures with the private sector comfortable with consequentialist ethics and the public sector more comfortable with arguments about duty. Second, we have seen that elitist talent management has a stronger ethical footing when the outcomes and effects extend beyond the select few to benefit the wider majority. There is useful research to be done in understanding more about how organisations evaluate the economic and social contribution and the ethicality of their talent programmes. Some suggestions have been given in the paper, and a starting evaluative framework is offered.

Appendix 1

Summary examples of organisational talent strategies

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GKN
GKN, a global engineering company, worked with an external partner to develop a coaching-based programme for its senior managers. Participants worked with their line manager to determine individual objectives and a tailored development plan. The external partner matched participants with coaches based on their development needs. Talent management is geared around helping employees achieve career transitions and was implemented on the back of 'patchy' success with executive career development previously. While aiming to be developmental, an important aspect was to provide an objective assessment of the company's senior talent. (James 2011)

Appendix 1 *Continued*

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HSBC

Financial services company HSBC introduced global talent nominations that were assessed using 360 degree feedback, interviews and panel reviews against a set of competences that distinguished its 'outstanding' performers. These included driving the business vision, commercial judgement, inspiring and leading others, customer focus, and drive. Each nominee was rated on their capability, their performance and their aspirations. A common approach to talent development was implemented across the company's global operating regions. Future potential leaders were included to address succession issues. The talent programme extended from senior levels to new graduate appointments. A range of programmes was delivered to cater for the different levels of participants and different development needs. Talent pool members benefitted from a customised retention programme and each was assigned a Talent Relationship Manager who worked with them to agree development strategies. (Gakovic & Yardley 2007)

Rohm and Haas

Chemical company Rohm and Haas implemented a 'Leadership 3000' programme to equip the company with the leadership skills it needed to tackle mature business units with limited growth potential. Key behaviours centred around the need to take courageous business decisions. Participants were paired with one or more executive mentors and worked over 12 months to develop action plans and greater self-awareness of their leadership capabilities. The fundamental competences targeted by the company were the ability to earn the trust of others, the ability to create realistic visions of future action and the ability to communicate that vision, toughness and persistence, and the ability to evaluate business opportunities. Development methods included cross-national assignments, external executive development, involvement in community projects and coaching in emotional intelligence. (Gupta & Wasylyshyn 2009)

Bradford and District Care Trust (BDCT)

Launched under the name 'Exciting Futures', BDCT puts about 20 high performing and high potential employees through a talent development programme each year. Participants complete a 360 degree appraisal and psychometric tests as a route to producing an individual development plan. Participants are then allocated to one of several project teams that have to deliver against stretching targets in six months over and above the normal job role. Networking with senior executives is facilitated. (Keyes 2012)

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