IS THE SCARCITY OF TALENTS AMONG THE YOUNG A STIMULATING FACTOR OF UNEMPLOYMENT?

MERGEANI NICEA
PH.D STUDENT, UNIVERSITY OF CRAIOVA
e-mail: nicea.mergeani@icloud.com

Abstract
Performance management is the highest when at the basis of the performance stand more talents, which is when, within a company, the working staff are eager to demonstrate capabilities and skills. The society of knowledge and technological developments has been a challenge for the department of human resources, especially in multinational, for specialists in human resources are no longer just looking for experienced and trained people, speaking foreign languages and advanced computer users, but they are looking for true talents, never ending streams of brilliant ideas of organizational performance. Not only must employees be talented but also recruiters and managers of the company that want to be on top and to distinguish themselves from the competition through the creativity of their talents. The purpose of the article is to highlight the role of talent within a company, by presenting the relationship between talent and performance management, as well as through the establishment of the consequences of the lack of talent regarding the unemployment of the young.

Keywords: scarcity of talent, youth unemployment, performance management

JEL Classification: E24, J24

1. Introduction

Talent cannot be defined, so that the duties of the recruiters are becoming more and more intricate, the knowledge of psychology and their experience helping them to recognize talented people. Each person perceives talent depending on personal needs, managers/recruiters seeking talent to match their own business strategies. Talent management brings many advantages, such as: preventing fluctuations in human resources, increasing sales, devising a culture directed towards performance, increasing profit, getting visible performance.

The reconfiguration of the labour market must no longer be postponed, because it takes a different kind of working people, evolved from the technological point of view. Consumer sophistication, automation, scarcity of talents, optimum personalization solutions are just some of the aspects that influence the evolution of the labour force. An effective labour market work involves finding solutions to all problems existing among employers and employees. Of course, consumer claims should not be overlooked either, but neither the conjunctural of economic conditions [1], and the impact of the banking and financial system to the economy [2, 3].

An economic phenomenon influenced by the scarcity of talent within organizations is unemployment, which increases with a rise in the deficit of talent, because employers are seeking talented human resources who possess, in addition to talent, imagination, creativity, intelligence and knowledge specific to the field of activity that offers jobs. Although high unemployment should make hiring easier, recruiters face the problem of finding talented and skilled workers frequently. Difficulties encountered in finding talents are caused also by the poor preparation of young people compared to the abilities they need in modern organizations [4]. The talented ones refuse to work in the countries which are less developed from the economic, cultural, social points of view and migrate in the developed countries, a phenomenon known as "brain drain". Young people who choose to remain in the country want to work in large organizations, where financial reward can be as expected, without having the required specializations or special talents that could contribute positively to improving performance management.

2. The relationship between talent and performance management

Performance management depends to a very large extent on personnel talent in an organization, beginning with the talent of those in the department of human resources (HR), in need of talent for recruitment and selections of the most talented employees. Talent is inborn as well as an acquired skill, meaning that people realize great things using imagination, feeling and intelligence. Art, like other great things, derives from talent, which is why there is a
need for a special capacity for the detection and measurement of talents, in the absence of some physical parameters to delimit them.

In order to achieve effective performance management there is a standard procedure (Figure 1), which involves several steps [5]:

![Figure 1. The procedure of performance management](image)


The realization of each stage depends to a very large extent on the talent of the employees within an organization, who must take into account the performance plans allocated by managers. Employees shall take into account the objectives proposed by managers, must carry out their duties properly and agree to the objectives of performance. Competences are not sufficient when it comes to a service that involves creativity on the part of the employees. The people at the department of human resources look for young talented people to help them improve and because the formation and channeling of young talent in the desired direction will help bring the performance of the organization they are part of. Talented young people, even if inexperienced, can represent true never ending springs of creative solutions, extremely useful to any organization that appreciates the active involvement of its members.

Talent management is in close contact with the management of performance, one of the arguments that are evidence of this relationship between the two types of management being that talent management is a challenge for the Department of human resources, which must choose at all times skilled people, which meet the requirements of the organization. Talent management (Figure 2) is an activity that requires "identifying, recruiting, developing, motivating, promoting and retaining people who have a strong potential for success within an organization" [6]. Talent management has many definitions and is associated with several terms, and this is influenced by the impossibility of defining the concept of talent [7]:

149
Manpower Group carries out annual studies on the evolution of the labour market, aiming also at the talent deficit problem faced by organizations in Romania, because, according to the specialists, the labour shortage "generates a global competition for talent" [8]. According to one of these studies, both in 2014 and 2015, the most sought-after talents were those of skilled craftsmen, especially butchers, bakers, cooks, mechanics, electricians, as can be seen in Figure 3 [9].

Figure 3. The most wanted talents in 2015

The solution to the scarcity of talent worldwide can be the creation of strategies for the recruitment, selection and training of personnel, according to the requirements of employers and employees' skills and abilities. Exploring new sources of talent is essential, but equally important is the attitude of employers towards employees, because if employees are not offered the necessary conditions for working, any talent of theirs is inhibited, and the performance of the organization is in danger.

3. Unemployment - a result of the scarcity of talent and the mismanagement of performance

The scarcity of talents constitutes a threat to society and for companies and even a constraint on organizations to take advantage of the economic opportunities available [10]. A faulty management performance derives not just from poor management of the organization, but also from a lack of talented personnel within it, the organization being thus faced with a shortage of talents, a situation that could result in decreased productivity and, consequently, the restriction or termination of the activity, which would contribute to an increase in the number of unemployed. In Romania, the main consequence of the talent deficit is in the opinion of most employers, reduced productivity and competitiveness [11].

High rates of formal education at the level of each registered country do not always help to reduce unemployment rate as proof that there is a strong tendency among the score of education and formal unemployment rate because the economy of each state is based on different jobs, some states seeking workers with high qualifications, others seeking workers with secondary education [12]. Regardless of the type of workers pursued by small and great employers, all need talented personnel to work for fun and with the desire to evolve professionally.

In the period 2006-2014, many employers have faced a shortage of talents, which had multiple consequences on the economic and social plan: increase in unemployment, decreased managerial performance, reduction of jobs etc. European Countries have faced, because of this, a range of difficulties "to fill" jobs. According to data resulted from an annual study by the Manpower [13] concerning the shortage of talents, the sample being. 37,000 employees from 42 countries, more than one-third of employers have encountered problems in filling job vacancies, the most sensitive to deficiency of talent in those 8 years of reference being Romania, Greece, Hungary, Bulgaria, Germany, Switzerland and Austria (Figure 4).

![Figure 4. Difficulties filling jobs in European countries, 2006-14](http://www3.weforum.org/docs/Manpower_YouthEmploymentChallengeSolutions_2012.pdf)
The transition from school to an active life on the labour market is still at the stage of an ideal, especially as in Romania the education system does not meet the requirements of the labour market, and truly talented young people in some areas may choose either higher education or even a high school in the developed countries, or have to wait until they complete these studies in the country in order to use the acquired skills in the multinational outside Romania, which offer more professional perspectives for the future. These young people know the harsh reality faced by young talented graduates and make all possible efforts to avoid the status of unemployed youth, the only solution being the emigration.

Finding suitable skills and talents is even more difficult for employers as truly talented and qualified young people refuse to work in the country and emigrate. At the same time, many of those who feel that their talent and abilities are not sufficiently used at the workplace or those who consider themselves, and are considered by employers as overqualified, prefer not to work. To solve the problem of scarcity of talent in recent years there have been created several online platforms for talent identification (e.g., LinkedIn). Even if all those talented people do not use this kind of online platforms, the benefits are visible both for human resources looking for a job or wishing to improve and for the economy. These online platforms are located “in evolution in terms of capacity and potential” [14].

### 4. Conclusions

Talent deficit is not caused only by the lack of talented human resources. They exist, just that, for various reasons, prefer not to use their talent in underdeveloped countries, on low wages and without having the professional opportunities they expect. Migration is one of the phenomena of brain drain affecting the talent deficit and the unemployment rate. There are many undeveloped countries which excel at the talent chapter, but do not do anything to keep the talented people and train them in profitable activities both for themselves and for the country’s economy and the performance of the organization.

Those who are not talented can become so as long as they have a strong motivation to evolve professionally. Usually the non-specialized employees change their jobs frequently, often because they cannot find the professional satisfaction anywhere. Certainly there are fields, such as IT and medicine, on which most young professionals rather prefer to leave the country for better motivations instead of remaining in Romania, but there are fields, such as insurance, with high potential for employability [15]. Through optimal management of performance, employers may contribute to training and motivating these people. There is the possibility that some of these really are talented, but have not had the opportunity to show it, so that employers can help to refine their talents and to lower the unemployment rate by an operative process of performance management. Thus, the scarcity of talent would no longer be considered as a stimulating factor of unemployment.

### 5. Bibliography


