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Abstract
Many managers must be bewildered that, despite investing in the latest equipment and technology and paying very competitive wages, their organisations still fail to achieve the impressive results enjoyed by their more successful counterparts. Equally bewildering is the difficulty managers find in attracting and retaining the best talent for their organisations. This is the human capability dilemma.

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Management Insight #1: Human capital and talent management is a high level strategic function.

Enlightened managers understand that to compete in the global economy, significant amount of organisational resources must be spent on the critical success factor of their organisations - the training and development of their employees. As the CEO of a training provider, I find that managers have yet to discard the old `que sera sera' (*tidak apa*) mindset to start focusing on HRM or human capital management (HCM) as a high level strategic function. To compete successfully, companies now need to recognise their key capability and adopt the 4 B's - Build, Buy, Beg, and Borrow - of strategically building people competencies and talents to drive organisational capability for long term business sustainability and success.

Management Insight #2: People investment in training and management development does really pay.

"It is clear that companies that invest in human capital, work to develop and retain valued employees, and measure and hold people accountable for the investment, have a powerful competitive advantage," said Randy MacDonald and Mary Sue Rogers, Senior VP for Human Resources, IBM Corporation and Global & EMEA Human Capital Management Leader, IBM Business Consulting Services, respectively. In their survey of 300 organisations and interviews with 100 Chief Human Resource Officers for the IBM Global Human Capital Study 2005, they found that organisations having over 80% of their middle management attending management development programmes enjoyed three times the profitability of companies with below 60% of managers on development programmes.

Management Insight #3: People leave their jobs because they are not growing, learning and kept engaged.

A study published in October last year by HR consultants Mercer reports that 66% of workers in Europe enjoy job satisfaction when there is good opportunity for continuous learning. Where employees report lack of opportunities for continuous learning, only 17% are satisfied with their job. Personal development empowers employees to comprehend, appreciate and be part of your business plan. Acknowledging your people's achievements promotes higher employee engagement and morale, leading to improved retention rates, reduced absenteeism, greater willingness to accept change, and a stronger sense of identification with your organisation. The simple management notion is to keep your people continuously learning, stretched and positively engaged, and you will get to keep your talented, high performing employees.

Management Insight #4: Training and development is part of everyone's daily work.

It is a fallacy that training is only for companies with deep pockets and enough employees to allow time off to attend training courses. Training need not be an expensive affair or a strain on daily operations. Furthermore, there is never a good time for training - it must be integrated with the organisational work culture as a necessary part of work. Any regular impromptu lesson or personal on-the-job coaching is already a good step towards training and developing your employees. A sound training needs (TNA) analysis will help you identify areas of training to focus on and "sweet spot" your ROI on training. However, any lack of any formal efforts to train employees can bring adverse consequences to the organisation regardless of its size, experience or history. Your high- potential, talented employees are continually finding opportunities for personal development, so if you don't address these needs, your brightest and most ambitious will leave for competitors who can offer them what you cannot.

Management Insight #5: Your organisation is as strong as your weakest people link.

Constant turnover of high performing, high potential employees is costly for the organisation due to constant loss of intellectual capital, loss of institutional memory, loss of bench strength for future succession and loss of business continuity because of the need to always hire and train new staff. Even worse, when there are no training and development programmes in your organisation, it will eventually become devoid of highly motivated, high performing and high potential staff, leaving you stuck with weak and incompetent staff who are disinterested in their own development and have nowhere else to go. Don't let this situation develop in your organisation!

Management Insight #6: You need to have an integrated and systemic HCM and talent management programme - the 4 B's (Build, Beg, Buy, Borrow) of building talents and capability.

In a global war for talent, the approach for quickly building talent and organisational capability is through an integrated HCM programme to internally build your own talent bench strength. This takes longer but you would be able to develop people to be well versed and adapted to your organisation culture. Alternatively, you could scout for talents abroad and persuade or beg them to join your organisations. Or if the talent pool is needed quickly, you could buy readymade talent and expertise from competitors or other markets. Finally, if the above are unavailable, you could borrow or source for talent from external consultants or contractors until such time when in-house capability and competences can be built up.

Management Insight #7: In a global economy, there is now a war

for talent; hence, grow and protect your talents.

"The appears to be a gap between the expressed belief - that people are extremely important - and the way in which this area is being managed and measured, particularly when compared to other business indicators," the IBM Report cites MacDonald and Rogers. Sadly, you often see much rhetoric in this area. Always remember talents are very mobile, so keep close to them.

Management Insight #8: Make it happen and build real value in your organisation through human capital.

Identify the people who will stand in your frontline five to 10 years from now. Then train, develop and engage them as they will lead and grow your company. These talents are your real intangible capital. Understand that the essence of effective strategy for business growth and competitiveness is to focus on HCM as a strategic capability; therefore quickly transform your HR functions from transactional to transformational capability to support your strategic business plan. Human capital development in training and talent management are no longer a nice-to-do HR support function, but a strategic initiative and a critical success factor. So, make it happen if you want to stay ahead of the game and win the talent war.

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