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EDITORIAL

Evolving the Narrative of Managing Young Talent in SMEs

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Introduction

The topic of talent management (TM) has received increasing attention since the 1980s when the phrase 'war for talent' was coined (Cappelli & Keller, 2017). Scholars and practitioners alike have devoted time to exploring and developing policies that facilitate talent acquisition, engagement and retention (Collings, 2014). Despite this, retention of talent and availability of key skills are still cited as major human resource management challenges (Hewitt-Associates, 2008; Scullion, Vaiman, Collings & Thunnissen, 2016) in the global TM arena (Collings, Mellahi & Cascio, 2019). Keeping young employees in particular engaged and interested in staying with a company thus remains a pervasive issue for managers across organisations of various sizes and industries, in national as well as international settings. This thematic issue on managing young talent in SMEs draws inspiration from the international research project Global Entrepreneurial Talent Management (GETM3), funded through the European Union's Horizon 2020 platform. This collaborative research network brings together scholars in multiple disciplines with industry practitioners in various countries and adopts a multi stakeholder approach to TM, considering employers', young talent and higher educational institutions' (HEIs) perspective on TM. As entrepreneurialism is one of the key tenets of EU competitiveness and development (European Commission, 2013), special attention

within GETM3 is drawn to an investigation into how HEIs can contribute to the development of entrepreneurial competences.

The need to explore TM in different settings and from different perspectives has been a strong consensus in TM research. For example, Gallardo-Gallardo, Thunnissen & Scullion (2020) call upon researchers to address the context in which TM takes place, including the business context (e.g. globalization, technology, socio-economic and demographic changes) and organisational characteristics (e.g. type of industry, size, strategy). Recognizing that extant TM research has been more about solidifying conceptual models and theoretical perspectives than exploring TM practices as they occur in various types of organisations, Thunnissen (2016) proposes to research TM practices by answering questions of not only what they are but also for whom and for what purpose. In addition, TM research predominantly adopts the managerial and performative perspective rather than incorporating individual level research (Sparrow, 2019). This thematic issue aims to contribute to TM knowledge by focusing on SMEs and young talent i.e. Millennials or Generation Y, who have been entering the labour market in the last decade, adding to workplace diversity and TM complexity.

While there is a rich body of literature in the area of TM conceptualization (Collings & Mellahi, 2009; Gallardo-Gallardo et al., 2015), its architecture (Sparrow & Makram, 2015) and TM in large, most often multinational corporations (Björkman et al., 2017; Collings et al., 2019), TM in SMEs is under-researched and deserves more attention in the European as well as global context (Festing et al., 2017). SMEs constitute a major proportion of employers and contribute significantly to the global economy

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(Harney & Alkhalaf, 2021; Krishnan & Scullion, 2017): over 99% of the companies in the OECD and G20 are classified as SMEs (OECD, 2015). The number of employees is typically used to classify an enterprise as an SME, but this depends on the national context and the SME classification used. In Europe, the mark of a large enterprise is 250 or more employees, while in the USA it can be 500 or more (Krishnan & Scullion, 2017). According to EU criteria, there are three types of entity: 1) micro firms (fewer than 10 employees), small businesses (10–49 employees) and medium-sized enterprises (50–249) (Harney, 2015).

While TM practices contribute considerably to their success (Krishnan & Scullion, 2017), SMEs often face a lack of resources for HR, have no or insufficiently formalized TM processes and their strategy depends heavily on the philosophy of the owner (Festing et al., 2017). Indeed, a high degree of informality in HR policies is common for SMEs (Valverde, Scullion & Ryan, 2013) despite the fact that a strategic TM system can develop entrepreneurial behaviour in employees (Chen, Lee & Ahlstrom, 2021). SMEs face more difficulty in recruiting than larger companies (Wilkinson, 1999). For example, due to scarce resources, only the most convenient recruitment methods might be used so that insufficient qualified talent is targeted (Festing et al., 2017). Further, an SME's values and norms must be clearly communicated at the recruitment stage to ensure the required person and the organisation fit. SMEs also face the challenge of retaining talented employees, particularly the young, who do not prioritise organizational commitment and loyalty and are used to job-hopping (Ferri-Reed, 2014).

The aim of this issue is to advance the current understanding of TM in SMEs through the lens of three different stakeholders, namely SMEs as employers, young talents as employees of SMEs, and HEIs as developers of employable talent for SMEs. With the intention of extending the existing body of theoretical knowledge on one hand and informing practice on the other, the five articles comprising this issue consider TM from these different perspectives and offer various recommendations. In capturing diverse views, we highlight the contemporary characteristics of the employment relationship. The collection of articles in this issue draws from empirical and theoretical research covering the current state of HRM in SMEs, entrepreneurial careers, psychological contract expectations, socialization processes and entrepreneurial education. Articles offer novel insights into employer-employee-higher education relationships and

provide evidence-based recommendations for HR practitioners and leaders in SMEs. The practices and examples offered herein could serve as a springboard to inspire practical and innovative tools that form part of SMEs' own TM toolkit.

The papers in this issue

Recognizing the importance of understanding SMEs as the context for TM, the first article by Harney adopts a macro (organizational) level perspective on TM as a part of wider human resource management (HRM) systems. It usefully presents a critical review of HRM in SMEs, appealing for definitional clarity on both counts. Specifically, this article evaluates four key theoretical frames of reference in HRM: universalism, best fit and cultural and ecological theories, especially when applied to younger workers. The paper demonstrates differing interpretations of the conceptualization, role and value of HRM in the context of SMEs and points the way for future research into TM in SMEs.

The second article, authored by Mihelič, Bailey, Brückner, Postuła and Zupan, combines both macro and individual level analysis into TM exploration in SMEs. It adopts a multi perspective to investigate the psychological contracts between young professionals and their employers in European SMEs from four countries: Ireland, Poland, Slovenia and the UK. Through a qualitative research design, authors identify the contemporary expectations of employers as well as young employees in terms of competence, performance-enhancing behaviour, job characteristics and support systems, helping both sides to understand the other better, updating our knowledge of this important area and advancing it further into the SME domain.

In the third article, Meglich and Thomas deal with a particular TM practice, namely the onboarding process of new employees. They explore the topic from a fresh perspective, focusing on the phenomenon of hazing, which comprises purposeful demands placed on new employees beyond the scope of their job. A two-study design using samples of US employees shows the types of workplace hazing demands, the prevalence of hazing and the consequences of hazing in terms of strain, turnover and work engagement. This can have particular relevance for SMEs, where job roles are typically less well-defined.

The last two articles delve into entrepreneurialism as a key component of SME's success. That by Balas Rant, Dziewanowska, Petrylaite and Pearce explores European young talent's motivational drives for pursuing an entrepreneurial career, including in

SME. Through an analysis of in-depth individual interviews conducted in three countries, personal, social and institutional factors are revealed to attract and deter young people in their career choices at micro, mezzo and macro levels.

Finally, a three-year, multidisciplinary investigation into the suitability of entrepreneurial education for SMEs by Valencia, Humble, Doyle, and Skoumpopolou explores the current state of entrepreneurial education against the backdrop of the European Commission's strategic plan for growth which identifies entrepreneurship as an essential educational focus to rejuvenate the SME sector. Authors investigate the best practices for entrepreneurial education based on a wide range of data gathered through knowledge-exchange events held in five countries. The paper identifies optimum conditions for HEI/SME collaboration and outlines future challenges and opportunities for universities.

Conclusions

As demonstrated by the five articles in this thematic issue, TM in SMEs is a multi-faceted phenomenon which calls for a deeper understanding of context and different stakeholders' interests and objectives. As much as particular TM practices in SMEs matter, it is equally important what kind of talent they are able to attract in the first place. This means not only in terms of competences (including entrepreneurialism) but also regarding their expectations, especially when it comes to talented young professionals who nowadays have multiple employment options. After acquisition, proper onboarding and managing young talent, taking into account their needs and expectations becomes of paramount importance. Acknowledging the TM challenges faced by SMEs, we need a better knowledge of how employers, current and future young employees (talent) and educational institutions can work together to enhance the opportunity of each party to thrive in the increasingly competitive and uncertain world. We hope that articles in this issue help you better understand TM in SMEs and craft your policies and actions accordingly.

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for their work during the pandemic lockdowns and efforts invested in conceptualizing, researching and writing up articles that advance our current understanding of talent management.

We hope that, whether a scholar or practitioner, you will find the contents of this issue insightful and inspiring for your future HR endeavours.

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Guest Editors

Conflict of interest statement

The authors have no conflicts of interest to declare.

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