Employee Reactions to Talent Management: Assumptions versus Evidence

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Abstract
Two assumptions about employee reactions are currently driving debates around talent management (TM). First, that TM leads to positive outcomes in employees identified as talents; and second, that TM creates differences between talents and employees not identified as talents. This review critically evaluates these assumptions by contrasting theoretical arguments from the non-empirical literature on employee reactions to TM with the empirical evidence available. Our analysis partly supports both assumptions. Although positive reactions to TM were indeed found in terms of affective, cognitive, and behavioral employee outcomes, our review also found evidence for negative affective reactions in employees identified as talents. Significant differences between talents and non-talents were found for behavioral reactions, but not for affective and cognitive reactions; for the latter types of reactions, our review found mixed effects. We summarize these findings in an integrative framework based on social exchange theory, which our review shows is the dominant theory underlying assumptions about employee reactions to TM. We propose that three elements are missing in our current understanding which can help explain our review findings: uncertainty, power, and social identity. We conclude with recommendations for TM research and practice.
Employee Reactions to Talent Management: Assumptions versus Evidence

In recent years both academics and practitioners have been fiercely debating whether or not talent management (TM)—“activities and processes that involve the systematic identification of key positions which differentially contribute to the organization’s sustainable competitive advantage, the development of a talent pool of high-potential and high-performing incumbents to fill these roles, and the development of a differentiated human resource (HR) architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organization” (Collings & Mellahi, 2009, p. 305)—is in fact a desirable practice for organizations and their employees. Talent management typically revolves around the identification of a ‘talent pool’, referring to the 1-10% most high-performing, high-potential employees in a given organization (Swailes, Downs, & Orr, 2014). Organizations view talented employees as unique resources, central to achieving sustained competitive advantage, and use TM to capture, leverage, and protect these resources (Sparrow & Makram, 2015).

TM generally entails a disproportionally high investment in talents which is based on two central assumptions. The first assumption in TM literature is that employees who are assigned the (assumed to be highly coveted) talent status by their organizations can be expected to react positively to TM (Gelens, Dries, Hofmans, & Pepermans, 2013; Malik & Singh, 2014). More specifically, three types of desired employee reactions are identified in TM literature: talent engagement, talent development, and talent retention (Collings & Mellahi, 2009; Thunnissen, Boselie, & Fruytier, 2013b). First, TM is argued to motivate talented employees, leading to increased job satisfaction and/or commitment to the organization (Bethke-Langenegger, Mahler, & Staffelbach, 2011). Second, TM is believed to contribute to the ongoing development of company-specific, relevant skills and knowledge
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(Bethke-Langenegger et al., 2011; King, 2015). Third, TM is expected to influence the turnover behavior of talented employees by convincing them to stay in the organization (Bethke-Langenegger et al., 2011; Festing & Schäfer, 2014). Taken together, talent engagement, talent development, and talent retention are seen as essential requirements for (excellent) performance of talents in pivotal positions in a given organization (Collings & Mellahi, 2009; Hughes & Rog, 2008; King, 2015; Thunnissen et al., 2013b). Despite the fact that managers both in- and outside of the HR department consistently rank talent engagement and talent retention as a strategic priority (17th Annual Global CEO Survey PwC, 2014; Corporate Learning Survey, 2016), it is not clear to date whether TM actually reaches the above objectives.

The second assumption is that the traditional, exclusive approach to TM creates differences between employees: employees identified as talents are believed to demonstrate more positive work attitudes, cognitions, and behaviors compared to employees not identified as talents. This assumption takes a central position in the more critical TM literature (e.g., Downs & Swailes, 2013; Swailes et al., 2014), and is mainly emphasized in the recently emerging research stream on ‘inclusive’ TM, defined as “[systems that] recognize the full range of talent in the organization and deploy talent according to job fit […] with the principle that those who need more help to function at their best get the help they need” (Swailes et al., 2014, p. 534). Whereas the literature on positive effects of TM predominantly focuses on the performance of talents, the inclusive TM literature pays more attention to concepts like justice and ethics, applied to the broader workforce. Scholars who advocate an inclusive approach to TM often critique the differences between talents and non-talents created by workforce differentiation—i.e., organizations’ differential investment of resources in their talent pools. More specifically, they argue that TM leads to the exclusion of non-talented employees from key HR processes. Similar to the first assumption on employee
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reactions to TM, this critique on exclusive TM as yet lacks a solid evidence base as the inclusive TM literature does not make clear to what extent its basic assumption, that TM creates differences between talents and non-talents, has been empirically supported.

Our review has two main objectives. First, we aim to provide evidence to scholars and practitioners regarding the two basic assumptions on employee reactions to TM—i.e., that talents react positively to TM and that TM creates differences between talents and non-talents. More specifically, we investigate whether these assumptions are supported or refuted by systematically and critically analyzing evidence from the academic literature. Even a quick scan of the existing literature suggests mixed findings for both assumptions. While several studies indeed find positive effects of TM practices on employee morale overall, other studies also find negative effects on the very employees expected to benefit from it—the talents themselves. Moreover, although many studies find significant differences between employees with a ‘talent’ versus a ‘non-talent’ status in terms of their reactions to TM, the reported differences are often quite small and are typically not found for all hypothesized dependent variables. Second, we aim to systematically and critically compare and contrast assumptions on employee reactions to TM found in the empirical versus the non-empirical literature. This in turn allows us to identify common theoretical arguments and remaining research gaps.

In what follows, we start with a brief discussion of our systematic review strategy, making explicit the criteria used to include or exclude articles from the review. This methodological section is followed by a discussion of the different operationalizations of TM found in the literature (i.e., what are employees reacting to?) We continue our review with a section on the dominant theoretical frameworks underpinning the two basic assumptions about employee reactions to TM—most notably, social exchange theory. The TM operationalizations as well as the theoretical frameworks are derived from a systematic
examination of both the existing non-empirical (Supplementary Table 1) and empirical articles (Supplementary Table 2) selected for our review. We then present our analysis of the findings reported in the empirical articles on employee reactions to TM (Supplementary Table 2), organized according to the type of employee reaction studied (i.e., affective, cognitive, behavioral), the operationalization of TM (i.e., TM practices, talent status), and the methodology used (i.e., quantitative, qualitative, mixed-methods). Based on the results, we develop an integrative framework (Figure 1) to structure our review findings. In the Discussion, we critically examine the evidence from the empirical TM literature in light of the assumptions held in the non-empirical literature. Specifically, we focus on what is known and what is not yet known about mediators and moderators (i.e., boundary conditions) in current theorizing about employee reactions to TM, and consequently, on how TM theory could be extended. In our critical discussion of the empirical evidence found in the literature we also address the methodological limitations of existing studies on TM. We conclude with avenues for future research (coupled to the aforementioned methodological limitations) and implications for TM practice.

The main contribution of this review is that it expands the academic understanding of employee reactions to TM and nuances potentially flawed assumptions by systematically and critically analyzing the evidence from the academic literature. Such a review is direly needed for scholars given that the number of academic TM publications taking these basic assumptions for granted is steeply rising (Gallardo-Gallardo, Nijs, Dries, & Gallo, 2015). In addition, such a review is valuable for organizational decision-makers who are investing increasingly large amounts of money into TM practices, without knowing whether these are successful in achieving the projected TM objectives. Therefore, this review will have a substantial impact on how TM as a phenomenon will develop further in organizational research and practice.
Systematic Review Strategy

The final set of articles included in our review consisted of 43 articles—22 non-empirical articles (Supplementary Table 1) and 21 empirical articles (Supplementary Table 2). Every author reviewed all articles found through a search of both the Web of Science and the Scopus database, using the search string “talent management” in the search fields Title, Abstract, and/or Keywords ($k=475$). The search was restricted to peer-reviewed international journal articles written in English and published between 2001—when the first peer-reviewed article on TM appeared (Gallardo-Gallardo et al., 2015)—and 2017. We excluded articles that used the term TM colloquially without offering a definition or discussion of what they understood as TM, as well as practitioner pieces that did not cite any theoretical frameworks, nor data, nor references ($k=313$) without further review. The remaining 162 articles were content-analyzed by all three authors to select those in which employee reactions to TM were explicitly discussed—our main inclusion criterion. Based on the content analysis, we excluded 117 articles from this review because they did not include any reference to variables at the employee level that were framed as TM outcomes, consequences, or reactions (e.g., articles discussing or measuring predictors of being identified as a talent). Of the remaining 45 articles that were unanimously classified as dealing explicitly with employee reactions to TM, we included a final set of 43 articles in our review. Two additional studies were excluded because these relied solely on the responses of HR managers to assess employee reactions (i.e., Bethke-Langenegger et al., 2011; Kotlyar & Karakowsky, 2014).

Operationalization and Measurement of ‘Talent Management’

Prior to discussing the theoretical assumptions and empirical evidence found in the literature on employee reactions to TM, we first need to address how TM is operationalized and measured. Similar to an ‘HR system’, TM does not refer to one particular practice but is actually a multi-level construct consisting of different, hierarchically ordered components.
(Arthur & Boyles, 2007; King, 2015). It is important to distinguish between the different TM components in the existing literature because these are operationalized at different, interdependent levels of abstraction—i.e., principles, policies, programs, and practices (Colbert, 2004; Arthur & Boyles, 2007). Ordered from more to less abstract, principles (i.e., values, beliefs, and norms regarding employee management), policies (i.e., HRM objectives and strategies), and programs (i.e., sets of formal HR activities) are all defined as global components designed by business and HR leaders at the organizational-level. Actual HR practices, on the other hand, depend on how well HR programs are implemented by lower-level managers and how these are perceived by employees (Arthur & Boyles, 2007). Consequently, practices are situated at the lowest level of abstraction and typically measured at the level of the individual employee. To further develop more complex and accurate theory, it is important that researchers are clear about the level of abstraction at which components operate and measure these accordingly to avoid confusion (e.g., levels-based misspecification) (Arthur & Boyles, 2007).

A systematic classification of TM operationalizations is thus relevant for a nuanced discussion of our review findings as it allows us to move beyond a potentially oversimplified understanding of employee reactions to TM. The diversity of practices that are classified under the header of TM in HR is well-documented (Dries, 2013), and has translated into a variety of operationalizations used by TM scholars. Based on the articles in our review, we distinguish between six TM constructs at various levels of abstraction: talent philosophies, TM objectives, degree of workforce differentiation, TM system, TM practices, and talent status.

_Talent philosophies_ (k=8 non-empirical articles; 0 empirical articles) refer to the fundamental beliefs that organizational decision makers involved in TM hold about the nature, value and instrumentality of talent. These philosophies include, for example, the talent
definitions of organizations—i.e., whether an organization defines talent as innate or acquired, and as rare or prevalent (Meyers & van Woerkom, 2014).

*TM objectives* (k=3 non-empirical articles; 0 empirical articles) refer to the reasons why business and HR leaders consider TM to be important for their organizations. In the literature these relate to, for example, the type of stakeholder value (e.g., economic vs. non-economic) organizations seek to create through TM at the individual, organizational, or societal level (Thunnissen, Boselie, & Fruytier, 2013a, 2013b), or the strategic content focus of TM (e.g., engaged vs. reactive vs. retention-based TM) (Festing & Schäfer, 2014).

*Degree of workforce differentiation* (k=12 non-empirical articles; 0 empirical articles) refers to the degree of exclusiveness of TM, or the extent to which resources are allocated in an unequal manner among employees based on their relative contributions (Sonnenberg *et al.*, 2014). To date, the non-empirical literature has focused mostly on the dichotomy between ‘exclusive’ and ‘inclusive’ TM strategies, although hybrid forms are also acknowledged (Swailes *et al.*, 2014).

*TM system* (k=9 non-empirical articles; 0 empirical articles) refers to the program that organizations develop to manage talents from beginning (i.e., identification) to end (i.e., retention) (Collings & Mellahi, 2009). It usually revolves around the design of a set of strategically aligned, internally consistent TM practices (Festing & Schäfer, 2014).

*TM practices* (k=8 non-empirical articles; 14 empirical articles) refer to employee perceptions of implemented TM initiatives. These are typically measured by either company-specific items, for instance on promotion (e.g., Höglund, 2012) or leadership development practices (e.g., Khoreva & Vaiman, 2015), or by non-company specific indexes such as the Human Capital Index (e.g., Barkhuizen, Mogwere, & Schutte, 2014) or the CIPD Index (e.g., Sonnenberg *et al.*, 2014).
Finally, talent status \((k=10\) non-empirical articles; 15 empirical articles) refers to being identified as a talent or not. Empirical research mainly focuses on talent status resulting from formal identification by the organization \((k=13)\), although a minority of studies has also investigated talent status as perceived by the employee him- or herself \((k=2)\).

In line with Arthur & Boyles (2007), we grouped talent philosophies, TM objectives, degree of workforce differentiation, and TM system together as global TM components that find their origin with business or HR leaders at the level of the organization (see Figure 1). Moreover, these are ordered top-down according to their degree of abstraction, starting with the talent philosophies \((principles)\) that determine the TM objectives and degree of workforce differentiation \((policies)\) which, in turn, underlie the design of the TM system \((programs)\). TM practices and talent status, on the other hand, represent less abstract TM constructs that depend on the implementation of the TM system and are situated at the level of the individual employee. Despite frequent citations of organizational-level TM constructs in non-empirical research, it is remarkable that these have not yet been investigated in empirical studies on employee reactions to TM. TM practices and talent status, in contrast, clearly dominate the empirical literature. Because the variety in operationalizations and measures of TM has implications for what employees are reacting to, exactly, when they react to TM, we will distinguish between the research findings based on whether studies focus on TM practices or talent status in the section on Empirical Evidence.

**Theoretical Assumptions in the Literature on Employee Reactions to TM**

Supplementary Table 1 and 2 provide an overview of the non-empirical and empirical articles included in this review, respectively. Each table includes the dominant theoretical framework(s) underpinning the basic assumptions about employee reactions to TM for each article. As shown in Supplementary Table 1, the non-empirical articles drew on 26 different theoretical frameworks, of which *social exchange theory (SET) \((k = 7)\) was most frequently
cited. In the empirical articles the variety in theoretical frameworks was significantly smaller, with scholars using only 13 different theories (Supplementary Table 2). Similar to the non-empirical studies, the dominant theoretical framework in the empirical studies was social exchange theory ($k = 10$).

Overall, a majority of articles in our review ($k = 17$) based their assumptions about employee reactions to TM on SET. ‘Social exchange’ implies that one party provides a service to another party and, in doing so, obligates the latter to reciprocate by providing an unspecified but valued service to the former party (Blau, 1964). According to Cropanzano & Mitchell (2005), the generally agreed upon core of SET is that “social exchange comprises actions contingent on the rewarding reactions of others, which over time provide for mutually and rewarding transactions and relationships” (p.890). In their non-empirical articles, for instance, Thunnissen et al. (2013b), Björkman et al. (2013), and Tiwari & Lenka (2015) all proposed that organizations that invest in their employees will reap the benefits of that investment because employees are likely to return the favorable treatment. A similar, SET-inspired reasoning is found in empirical studies claiming that organizational investments in the employment relationship (e.g., selecting an employee into a talent pool) induce talented employees to reciprocate (Björkman et al., 2013; Gelens, Hofmans, Dries, & Pepermans, 2014; Khoreva & Vaiman, 2015; Du Plessis, Barkhuizen, Stanz, & Schutte, 2015). In conclusion, both in non-empirical and empirical articles, TM scholars implicitly assume that the relationship between employers and their talented employees can be understood as a form of social exchange to which the norm of reciprocity applies (e.g., Gelens, Dries, Hofmans, & Pepermans, 2015).

Several of the other prominent theoretical frameworks found in our review, most notably, psychological contract, signaling, and organizational justice theory, can be seen as extensions of social exchange theory in the specific context of employee reactions to TM. Permeating
the TM literature is the (often explicit) assumption that being identified as a talent affects the nature of the psychological contract (PC)—i.e., the unwritten rules of the employer-employee relationship in terms of mutual obligations. King (2016), for example, introduced the term ‘talent deal’ to refer to the PC of those employees identified as talents, defining it as: “the modified psychological contract and exchange expectations of talented employees [including future investments by the organization as well as future discretionary effort by the employee] resulting from perceived talent status” (p. 95). Psychological contract theory was more frequently cited in empirical ($k = 5$) compared to non-empirical articles ($k = 3$).

Similarly, signaling theory was used as a theoretical framework multiple times in empirical research ($k = 4$), but was mentioned in only one non-empirical article (i.e., Dries & De Gieter, 2014). Signaling theory was developed specifically to understand exchange relationships between parties with differential access to information, requiring subjective interpretation on the end of the party with the least information (King, 2016). Employees can, for instance, interpret being formally selected for a talent pool as a long-term investment in their careers by their organizations, compelling them to reciprocate through the establishment of relational psychological contract obligations on their part (Dries, Forrier, De Vos, & Pepermans, 2014).

While signaling theory and PC theory are used primarily to predict and explain the reactions of talents to TM, organizational justice theory is typically used as a framework for understanding how TM differentially affects talents and non-talents. Specifically, perceived distributive justice is theorized to be a key mediator between talent status and employee reactions because those included in the organization’s talent pool are likely to experience their inclusion as fair, leading to positive reciprocation in terms of effective work behavior and positive attitudes. Procedural justice, in turn, is argued to moderate the mediating effect of distributive justice on employee reactions so that these are more positive when procedures
are seen as fair (Gelens et al., 2013; Gelens et al., 2014). As a theoretical framework, organizational justice theory was discussed in slightly more non-empirical ($k = 3$) than empirical studies ($k = 2$).

In addition to social exchange and related theories, TM research also refers to several other theories, albeit in a more dispersed way. Within the non-empirical TM literature, for example, *HR practice alignment* emerged as a relatively prevalent theoretical framework ($k = 6$). This framework is either applied in terms of horizontal strategic alignment (i.e., the internal consistency of TM components), which is argued to be a key determinant of TM effectiveness (e.g., Collings & Mellahi, 2009; Festing & Schäfer, 2014), or in terms of alignment between TM actors—acknowledging the roles of various stakeholders within TM (e.g., Collings, 2014; Thunnissen et al., 2013a, 2013b). Despite its presence in multiple non-empirical articles, HR practice alignment has received much less attention in the empirical literature on employee reactions to TM ($k = 1$; Thunnissen, 2016).

Finally, several non-empirical articles mention more inclusion-oriented theoretical frameworks (e.g., the strengths-based approach, business ethics, stakeholder theory, and corporate social responsibility). This trend towards the use of inclusive theories, however, is much less visible in empirical research which only cites *diversity and inclusion* as a framework once (i.e., Festing, Kornau, and Schäfer, 2015). The *resource-based view* and *career management* theory, conversely, were each mentioned three times in empirical research, but only cited once in non-empirical research. Lastly, *social identity theory* was used as a framework in several qualitative studies (Dubouloy, 2004; Tansley & Tietze, 2013).

In what follows, we critically examine to what extent the theoretical assumptions identified in the non-empirical TM literature are supported by evidence from the empirical TM literature.

**Empirical Evidence on Employee Reactions to TM**
Employee reactions to TM refer to all (positive) attitudes and (effective) work behaviors exhibited by employees identified as talents in response to their organization’s TM.

Supplementary Table 2 summarizes the 21 studies in our review that empirically investigated employee reactions to TM and provides information on the theoretical frameworks, sample, study variables, and main conclusions per study. The table is divided according to research design, summarizing first quantitative studies \((k=14)\), second qualitative studies \((k=5)\), and third mixed-methods studies \((k=2)\)—all of which were included in our analysis of empirical evidence. In line with the two assumptions that we examine systematically in this review, Supplementary Table 2 further distinguishes between studies focusing on TM practices \((k=6)\) and talent status \((k=8)\) or both \((k=7)\) as operationalizations of TM. To evaluate the quantitative evidence, we transformed the statistics reported in the identified articles into effect sizes that are independent of sample size and thus comparable across studies. All relationships between TM practices (a continuous variable) and employee reactions were transformed into Pearson product-moment correlation coefficients (Pearson’s \(r\)), and relationships between talent status (a dichotomous variable) and employee reactions into standardized mean differences (Cohen’s \(d\); Lipsey & Wilson, 2001). In Table 1, we summarize the empirical evidence by indicating the ratio of significant effects to reported effects and the weighted mean effect size including 95% confidence intervals.

We adopted an inductive, data-driven approach to systematically classify the large variety of employee reactions to TM in our set of articles. After identifying a set of 37 different outcome variables across all empirical studies, we searched for suitable theoretical frameworks within the HRM literature to come to a more comprehensive division of employee reactions. We found that the multi-component, or tripartite, model (Eagly & Chaiken, 1993) in which attitudes are modeled as consisting of affective, behavioral, and
cognitive components (i.e., the ‘ABC’ of attitudes; Hilgard, 1980) fit particularly well with our review data.

*Affective reactions* (k=23 non-empirical articles; 15 empirical articles) refer to internal, motivational, and valenced evaluative states, including feelings, emotions, and preferences. Our review shows that quantitative studies on affective reactions to TM focus exclusively on positive affective states—i.e., commitment, satisfaction, engagement, motivation, and trust. The qualitative studies, by contrast, focus on negative affective reactions—i.e., stress, insecurity, and identity struggles. *Cognitive reactions* (k=16 non-empirical articles; 13 empirical articles) refer to thoughts, beliefs, and patterns or modes of thinking. Our review shows that studies on cognitive reactions to TM focus either on perceptions of employee knowledge, skills and abilities (KSAs), or psychological contracts. *Behavioral reactions* (k=21 non-empirical articles; 10 empirical articles) refer to the mental desire to perform an action (i.e., behavioral intentions) and/or overt and directly observable actions (i.e., actual behaviors) including both active (e.g., quitting) and passive (e.g., staying) behaviors. Our review shows that studies on behavioral reactions to TM typically focus on either intentions to stay with one’s employer (and/or actual turnover), or in-role and extra-role performance.

Although the non-empirical literature (k=16) frequently discusses all three reactions to TM together, the empirical research dominantly focuses on one type of reaction—only four empirical articles focus on affective, cognitive and behavioral reactions simultaneously. Several studies have shown, however, that these three components are only moderately correlated with one another and can thus be considered separate constructs (Schleicher & Watt, 2013).

We will use the tripartite model to structure the following section, in which we weigh the empirical evidence found in the TM literature against the assumptions that TM creates positive reactions in employees identified as talents and creates differences between talents
and non-talents. To summarize the empirical evidence, we integrate the research findings per dependent variable across quantitative (Table 1) and qualitative (Table 2) studies.

**Affective Employee Reactions**

Taken together, the empirical evidence implies that both positive and negative affective reactions to TM can be found in talented employees. Whereas positive attitudes were found regardless of the research design of studies, evidence for negative reactions to TM was limited to qualitative and mixed-methods studies. This can be explained by the simple observation that quantitative studies never included variables that measured negative employee attitudes.

**Positive affective reactions.** The empirical evidence on the relationship between TM and positive affective reactions is mixed, but leans towards indicating a small positive effect. For the three studies that investigated TM practices as an independent variable, 15 out of 27 effects sizes were statistically significant, with a weighted mean Pearson’s $r$ of .38 indicating a small to medium positive effect on positive affective states (Kenny, 1987). Two studies presented evidence for a positive association with affective commitment and job satisfaction (Chami-Malaeb & Garavan, 2013; Luna-Arocas & Morley, 2015). However, the third study on work engagement (Barkhuizen et al., 2014) showed mixed results; 12 of the 24 correlations reported in this study were non-significant. Closer inspection of the results revealed that the type of TM practice was important: non-significant correlations were found for strategic TM practices (i.e., workforce planning, staffing, talent acquisition, and talent retention), whereas significant correlations were found for employee-centered TM practices (i.e., management commitment, talent review process, talent development, and performance management).

The seven quantitative studies that investigated the effects of talent status on affective outcomes included a total of 18 effect sizes, half of which (9/18) were statistically significant.
The weighted mean difference (Cohen’s $d$) was .16, indicating a very small positive effect (Cohen, 1988). Exploring differences between studies that did and did not find significant effects did not reveal a clearly interpretable pattern. Possible explanations might be found in the choice of the independent and/or dependent variables. Comparing studies based on their TM operationalizations, however, was not yet feasible. For example, it was difficult to compare the effects of perceived as opposed to formal talent status, as only Björkman et al.’s (2013) study examined the effects of perceived talent status on affective employee reactions—one of the few studies that found significant differences between talents and non-talents on identification with one’s unit and the organization ($d = .27−.57$). Neither could we draw definite conclusions yet for the dependent variables because the investigated affective reactions varied considerably, ranging from trust ($d = .00$; Seopa et al., 2015), to job satisfaction ($d = .29−.55$; Gelens et al., 2014), to career commitment ($d = -.03$; Dries & Pepermans, 2007). Strikingly, even the mean differences between talents and non-talents on very similar constructs such as career commitment ($d = -.03$; Dries & Pepermans, 2007) and career development motivation ($d = 1.15$; Seopa et al., 2015) diverged widely.

The same applied when juxtaposing mean differences on the most commonly investigated affective reaction, organizational commitment. Gelens et al. (2015), for instance, found that talents scored significantly higher on commitment than non-talents in their first ($d = .55$) but not in their second sub-study ($d = .16$). An interesting finding was that even though the direct effect was non-significant in the second sub-study, there was still a significant indirect effect on commitment via perceived organizational support (POS) (Gelens et al., 2015). Similarly, Dries et al. (2012) did not find significant mean differences on career satisfaction when comparing both high potentials ($d = .12$) and key experts ($d = .08$) to average performers, but uncovered significant indirect effects of high-potential- (but not key
expert-) status on career satisfaction via POS, promotions since entry, and organizational commitment.

Finally, in one of the two mixed-methods studies that focused on positive affective reactions (Table 2)—and in direct contrast to the previously discussed quantitative findings by Dries and Pepermans (2007)—talents reported to be more committed to their careers than to their organizations (Thunnissen, 2016). It is not clear, however, to what extent these results are generalizable given that Thunnissen’s (2016) study was conducted in a specific context (i.e., university departments) with ambiguous promotion criteria—two potential boundary conditions.

**Negative affective reactions.** The evidence for negative affective reactions among talents stemmed exclusively from qualitative studies (Table 2). We identified five studies that were based on interviews with formally identified talents, and one study that interviewed both formally identified talents and non-talents. Both Dries and Pepermans (2008) and Tansley and Tietze (2013) reported that talents indicated to have very high stress levels on a daily basis. The experience of being monitored and pushed by their organizations to continuously improve and to show flexibility at all times, was emphasized as a risk factor for burnout. This issue was further exacerbated by perceived ambiguity about the consequences of their formal identification as talents, causing anxiety and insecurity about what was expected of them (Dries & De Gieter, 2014). The lack of transparent communication about TM was brought up, both in Dries and De Gieter’s (2014) and Festing et al.’s (2015) study, as a major source of frustration and dissatisfaction in talents. The talent status also had a large impact on their self-concept; two studies reported identity struggles in talents caused by their desire to stay true to themselves on the one hand, but conform to an appropriate work-identity on the other. In Tansley and Tietze’s (2013) study, talents talked about sacrifices made in terms of private
time and relations; in Dubouloy’s (2004) study, some interviewees even stated that they had
developed a ‘false self’ to conform to the expectations of their organizations.

The only qualitative study that drew on interviews with both talents and non-talents
(Swailes & Blackburn, 2016) provided initial evidence for negative affective reactions among
non-talents. Reportedly, the non-talents felt ‘a strong sense of unease’ (p. 17) resulting from
not knowing how to build their careers with little support from their superiors and against the
backdrop of a TM system that they perceived as neither transparent nor fair.

**Cognitive Employee Reactions**

Taken together, the evidence for the relationship between TM and cognitive employee
reactions is mixed and requires a nuanced discussion. The most unexpected finding that
contradicts assumptions in the non-empirical literature, is that talent status seems to create
imbalances in the talents’ PC by increasing the expectations talents have of their
organizations, but not necessarily increasing their perceived obligation to reciprocate.

Only 11 percent (5/45) of reported effect sizes regarding the relationship between *TM
practices* and cognitive employee reactions was statistically significant, but the weighted
mean effect size ($r = .25$) still indicated a small, positive relationship (Kenny, 1987). This
might be explained by the fact that all 40 non-significant effects were reported in Barkhuizen
*et al.*’s (2014) study which investigated the effects of different TM practices on various
dimensions of employee’s service quality orientation ($r = -.07−.19$) in a very small sample ($N = 60$). Similar to Barkhuizen *et al.*’s (2014) outcome variable which was an indicator of the
knowledge, skills, and abilities of employees, Höglund’s (2012) study investigated the effects
of TM on the quality of the workforce, and reported a medium positive effect ($r = .54$).
Similarly, the remaining two studies found significant medium to large correlations between
TM practices and PC-related cognitions such as psychological contract fulfillment ($r = .36$;
Sonnenberg et al., 2014) and the perceived support of the organization and the supervisor ($r = 0.47$-$0.64$; Du Plessis et al., 2015).

As for the studies with talent status as independent variable, two thirds (26/39) of the effect sizes on differences in cognitive reactions between talents and non-talents were positive and significant (weighted mean $d = .29$). The two studies that investigated relationships between talent status and employees’ KSAs reported contradicting results. While Dries et al.’s (2014) study did not indicate a significant difference for perceived employability resources ($d = .09$), Swailes and Blackburn (2016) found a large, positive mean difference with regard to employees’ perceptions that their knowledge and skills had been enhanced ($d = 1.52$). The majority (i.e., eight) of the other non-significant effect sizes were reported in studies that compared talents and non-talents in terms of their perceived employee PC obligations towards the organization. Talents did not feel more obliged to display organizational loyalty or high performance than did non-talents ($d = -.12$-$-.14$; Dries et al., 2014), nor were they more willing or likely to participate in leadership development activities ($d = -.01$-$-.19$; Khoreva & Vaiman, 2014). Conversely, these same talents did have strong expectations with regard to the employers’ obligations towards them. Much more so than non-talents, they reported to expect their employers to fulfill relational PC obligations ($d = .54$; Seopa et al., 2015). Furthermore, employers seemed to meet these expectations (at least partly), given that talents scored significantly higher on received employer inducements such as job security and promotions than non-talents ($d = .17$-$-.37$; Dries, Van Acker, & Verbruggen, 2012).

Results reported in the qualitative studies (Table 2) were in line with the above findings. We evaluated the qualitative evidence as ‘mixed: positive to null’ (Table 2) because research findings hinted at the development of an ‘imbalanced’ psychological contract in talents. The studies pointed out that talents expected to receive customized career support, regular
promotions, and special financial incentives from their organizations (Dries & Pepermans, 2008; Dries & De Gieter, 2014). Swailes and Blackburn (2016) even reported that talents felt a strong sense of entitlement regarding inducements and opportunities offered by the organization. None of these studies, however, discussed whether and how talents perceived obligations to reciprocate this favorable treatment. Taken together, the qualitative studies pointed to an increased risk of psychological contract breach among talents who often felt dissatisfied or even disappointed about the inducements offered by their employer (Dubouloy, 2004; Thunnissen, 2016). Several studies emphasized a lack of transparency as the key reason for the risk of PC breach. Both Dries and Pepermans (2008) and Thunnissen (2016) found that, rather than advancing in their careers as expected, talents tended to feel stuck or hindered in their careers because promotion criteria were unclear. Moreover, Tansley and Tietze (2013) pointed out that a lack of clarity about the different parties’ responsibilities in TM led to conflicting expectations in organizations and employees about who should take career initiatives. Dries and De Gieter’s (2014) study concluded that organizational ambiguity about the specific content and consequences of (getting selected into) a TM program increased the risk of PC breach in talents by fostering unrealistic expectations.

**Behavioral Employee Reactions**

Taken together, the empirical evidence strongly suggests that talent management is positively related to favorable behavioral reactions among talents. First, all effect sizes (4/4) reported in the three studies on the relationship between TM practices and behavioral reactions were significant and denoted a medium to large, positive effect (weighted mean $r = .43$; Kenny, 1987). Results for both intention to stay with one’s employer ($r = .35–.48$; Chami-Malaeb & Garavan, 2013; Du Plessis et al., 2015) and job performance ($r = .50$; Luna-Arocas & Morley, 2015) were similar in strength, but definite conclusions cannot yet be drawn because job performance was included in only one study.
Second, seven out of nine effect sizes reported in the five identified studies on talent status and behavioral reactions were positive and significant. The weighted mean Cohen’s $d$ of .34 can be considered a small to medium effect (Cohen, 1988). One of the two non-significant effect sizes was found in Gelens et al.’s (2014) study revealing that, although the work effort of senior high-potentials ($d = .42$) differed from that of average employees, this was not the case for junior high-potentials ($d = .02$). The second non-significant effect was reported by Seopa et al. (2015) who found that talents were not more inclined to stay with their employer than non-talents ($d = -0.08$), even though they were more likely to display OCB ($d = 1.25$). All other studies reported positive significant mean differences regarding talents’ intention to stay ($d = .20–.48$; Björkman et al., 2013), self-rated performance ($d = .82$; Dries & Pepermans, 2007), and supervisor-rated performance ($d = .26–.35$; Dries et al., 2012). One interesting finding that emerged from these studies is that the effects of TM on behavioral outcomes were mediated by perceived supervisor and organizational support (Du Plessis et al., 2015) and justice perceptions (Gelens et al., 2014), as well as by job satisfaction (Luna-Arocas & Morley, 2015).

Finally, evidence from two qualitative studies corroborated the quantitative findings with regard to the intention to stay with one’s employer: The majority of the 14 talents in Dries and Pepermans’ (2008) interview study reported to have worked for the same organization for their entire career and did not desire to leave the organization in the future. Similarly, Thunnissen (2016) found that 67% of talents had stayed with their employer when interviewed again four years later, after their first interview.

**Discussion**

The first aim of this review paper was to empirically test the two assumptions about employee reactions that are currently driving much of the debates around TM: first, that TM leads to positive outcomes in employees identified as talents; and second, that TM creates
differences between talents and employees not identified as talents. Based on evidence found in the empirical literature, we can conclude that these basic assumptions are only partly confirmed.

In line with the first assumption, TM practices were generally associated with positive affective (e.g., job satisfaction and organizational commitment) and behavioral reactions in talents (e.g., higher performance and lower turnover intentions). The relationship between TM practices and cognitions (e.g., beliefs in KSAs and psychological contract fulfillment) was also positive, but the effects were comparatively smaller. Qualitative research evidence yielded a surprising result, however—one that forces us to nuance the first assumption about employee reactions to TM. More specifically, in addition to experiencing higher degrees of positive affect, talented employees also showed more negative affective reactions such as feelings of stress and insecurity (Dries & Pepermans, 2008; Tansley & Tietze, 2013). In addition, they also seemed to struggle sometimes with their work identity (Dubouloy, 2004; Tansley & Tietze, 2013).

The evidence for employee reactions to being assigned talent status also provides partial confirmation of the second assumption. Significant, positive differences were found between talents and non-talents for behavioral reactions, with talents reporting more work effort and stronger intentions to stay in their organization than non-talents. The interpretation of differences between talents and non-talents in studies that investigated attitudinal and cognitive employee reactions, on the other hand, was less straightforward. The overall relationship between talent status and attitudinal outcome variables such as commitment was found to be rather small. As for cognitive outcome variables, studies on talent status and PC beliefs unanimously showed that being identified as a talent was associated with imbalances between perceived employer and employee obligations; talents expected to receive more
from their employer than they were willing to give back themselves. The risk of perceived PC breach was also higher in talented employees than in non-talented employees.

Taken together, our review shows that whether or not the two key assumptions about employee reactions to TM hold up empirically depends on the specific TM operationalization and type of employee reaction under study. Whereas TM practices seem to have a consistent, positive effect on all outcomes, differences between talented and non-talented employees were not always found as predicted for affective and cognitive reactions in studies focusing on talent status. Surprisingly, in some studies, talents were even found to react negatively to TM and differences between talents and non-talents were reported that might also turn out negative for organizations. These findings are difficult to explain with the current theoretical reasoning that dominates the literature on employee reactions to TM, according to which we can expect talents to reciprocate with favorable attitudes and behaviors towards their organization when being identified as a talent and/or being allowed to participate in TM practices. We will address the theoretical implications of these findings more in depth later in the Discussion.

The second aim of this review paper was to contrast the empirical literature with the non-empirical literature to determine potential overlaps and remaining gaps. First, we found that the non-empirical literature on employee reactions to TM gave a much broader meaning to TM than the empirical literature. Contrary to the empirical research which operationalized TM as either TM practices or talent status, the non-empirical literature also mentioned multiple, more abstract TM operationalizations at the level of the organization (i.e., talent philosophies, TM objectives, degree of workforce differentiation, and TM system).

As for the applied theoretical frameworks, we found that both the empirical and the non-empirical literature relied strongly on social exchange theory, which consistently emerged as the central theoretical framework to explain employee reactions to TM. At the
same time, however, the non-empirical research drew from a much larger and more diverse set of theories than the empirical research. Whereas empirical studies based their hypotheses predominantly on SET or SET-related theories (e.g., psychological contract theory), non-empirical articles on employee reactions to TM also commonly referred to HR alignment theory. According to this theory, TM consists of a set of separate components situated at different levels in the organization which, when aligned with each other, create a ‘strong’ TM system—i.e., a shared understanding of what behaviors are expected and rewarded by the organization (Bowen & Ostroff, 2004). King (2015), for example, linked different TM components to different TM actors in her interactive systems model of TM, arguing that alignment between intended TM—as envisioned by top management and HR professionals—and actual TM—as implemented by direct supervisors—was essential for understanding employees’ perceptions of TM.

Taken together, our review shows that the empirical and non-empirical literature on employee reactions to TM both overlap and diverge at the same time. More specifically, the empirical articles have a more narrow focus than the non-empirical articles, as these only test the effects of two TM operationalizations (i.e., TM practices and talent status) on employee reactions. The non-empirical literature, on the other hand, defines TM more broadly in terms of a multi-component system in which TM practices and talent status are embedded. Moreover, building on HR alignment theory, the non-empirical studies argue that by studying one component in isolation from other components of the organizational TM system, researchers might disregard the broader TM context (e.g., TM alignment) and come to flawed conclusions. Rather than contradicting each other, HR practice alignment and social exchange theory are in fact complementary in understanding employee reactions to TM: What employees perceive to receive from their organizations, is actually the product of a
strategic chain starting with intended TM practices that ‘trickle down’ into actual TM practices (Nishii & Wright, 2008).

Figure 1 offers a visual overview integrating our review findings in one overarching framework based on both the empirical and the non-empirical literature on employee reactions to TM. The words in italic represent variables that have been argued to be of importance for our understanding of employee reactions to TM in the non-empirical TM literature, but that to date have not been studied empirically.

Theoretical Implications

In this section we discuss whether the theoretical underpinnings of the basic assumptions made in the literature about employee reactions to TM are sufficient to explain the findings of this review, or whether our theoretical understanding of TM needs to be extended. Our systematic analysis of both the non-empirical (Supplementary Table 1) and the empirical (Supplementary Table 2) literature on employee reactions to TM showed that social exchange theory is the dominant theoretical framework in this research area.

For studies using TM practices as operationalization of TM, the theoretical assumptions of social exchange theory seem to fit quite well with the findings reported in this review: Beneficial actions on the side of the organization (i.e., providing access to TM practices) compel employees to reciprocate with equally positive affective, cognitive, and behavioral responses (e.g., increased loyalty to the organization) (Cropanzano, Anthony, Daniels, & Hall, 2017). Especially TM practices focused on employee development were found to be more strongly associated with positive employee reactions as opposed to strategy-focused, managerial practices—which makes sense as the former are more closely aligned with the interests of the individual employee than the latter.
Studies using talent status as the operationalization of TM, on the other hand, mostly found evidence for reciprocation in terms of positive behavioral responses (e.g., significant differences in performance and turnover intention between talents and non-talents). Differences were not always found, however, for attitudes and cognitions. Results were mixed in that talents could score either similar to, or different from non-talents on attitudinal and cognitive variables, depending on the particular study (Table 1).

In what follows, we will discuss mediators and moderators to gain a more refined understanding of the theoretical reasoning behind the relationship between TM and employee reactions. We focus on moderators in particular because, representing boundary conditions, these might explain the mixed findings that were found for affective and cognitive reactions to talent status.

**Mediators (explanatory mechanisms).** Although conceptual research \( (k=2) \) on mediating mechanisms is still very limited, a number of empirical studies \( (k=7) \) has investigated mediators in the relation between TM and employee reactions. Our review shows, however, that there is little consistency in the mediating variables that were studied. In particular, perceived distributive justice \( (k=1 \) non-empirical article; 1 empirical article) as well as perceived organizational and supervisor support \( (k=0 \) non-empirical articles; 3 empirical articles) emerged as important mediators in our review (Figure 1).

In their conceptual paper, Gelens et al. (2013) argue for the mediating role of distributive justice based on equity theory (Adams, 1965). This theory states that people’s reactions to organizational practices depend on their perceptions of distributive justice, which result from a process in which people weigh their contributions against received rewards and compare this to the input/output ratio of others. Following this reasoning, it is argued that when employees react to TM, they react at least partially to the degree to which the distribution of resources—i.e., the access to TM practices and the allocation of talent status—is perceived as
fair. In the case of talents (non-talents), perceptions of distributive justice are expected to be high (low) because they receive more (less) resources than employees outside (inside) of the talent pool, and this in turn is argued to lead to positive (negative) reactions. So far only one empirical study has confirmed this hypothesis, showing that distributive justice indeed mediated the relationship between talent status and work effort (Gelens et al., 2014).

Perceived organizational (e.g., Dries et al., 2012) and supervisor support (e.g., Du Plessis et al., 2015) were also found to act as important mediators in empirical research on employee reactions to TM. Their mediating role was typically explained by a combination of social exchange and signaling theory. King (2016), for example, argues that because TM signals what is valued by the organization, employees who are identified as talents will interpret their status as a sign of appreciation and come to believe that the organization cares about their well-being. Supervisors who grant talented employees access to TM practices, on the other hand, will also be seen as supportive due to their pivotal role as gatekeepers. Once identified as such, talented employees are expected to reciprocate the perceived support by showing desirable affect, cognition, and behavior towards the organization (Gelens et al., 2015)—a reasoning in line with social exchange theory. So far evidence for the mediating role of organizational/supervisor support has been found for affective reactions (i.e., commitment, career satisfaction) and behavioral reactions (i.e., intention to quit, performance).

**Moderators (boundary conditions).** Both the non-empirical literature and the findings of our systematic analysis of the empirical evidence to date point to the following variables as important moderators of the relationship between TM and employee reactions: TM transparency (vs. secrecy), perceived procedural justice, and HR attributions (Figure 1).

A first potential moderator of the relationship between TM and employee reactions is TM transparency/secrecy which refers to the extent to which an organization is transparent versus secretive about TM practices towards its employees (Dries & De Gieter, 2014).
Although empirical research has not yet explicitly named TM transparency/secrecy as a moderator, the problematic role of ambiguous TM communication is implied in several articles. Ambiguous communication about TM has been argued, for example, to decrease justice and POS perceptions in employees (Kotlyar & Karakowski, 2014; Festing et al., 2015), and to cause talent status incongruence—i.e., a mismatch between formal and perceived talent status—which is associated with PC breach (Sonnenberg et al., 2014).

From a theoretical perspective, the TM communication strategy adopted by an organization is inextricably linked to uncertainty—an element of social exchange theory that is still neglected in the TM literature. In contrast to an economic exchange with explicitly negotiated terms, social exchange represents a highly uncertain situation for both parties. Not only do the exchanged resources often remain unspecified and subjective, but reciprocation is also by no means guaranteed (Cook & Rice, 2003). Consequently, social exchange is a risky undertaking that requires trust on both sides. The extent to which organizations communicate in a transparent way about TM is important because it can diminish perceived uncertainty and thereby promote feelings of trust on the side of employees (Cheshire, Gerbasi, & Cook, 2010). Moreover, uncertainty about the terms of the exchange relationship can also intensify employees’ emotional responses to TM (Cook & Rice, 2003). This is illustrated by the qualitative studies in our review which consistently found that ambiguous communication about TM practices causes uncertainty in talents, which in turn underlies many of their negative affective reactions as well as the risk of PC breach (e.g., Festing et al., 2013).

A second potential moderator of the relationship between TM and employee reactions is perceived procedural justice ($k=1$ non-empirical article; 1 empirical article). Procedural justice refers to the process by which TM allocations were made, including the rules and criteria used, the degree of formalization of procedures, and the degree of consistency among procedures. In their empirical study, Gelens et al. (2014) found that procedural justice acted
as an important boundary condition for how talents reacted to TM. Procedural justice moderated the effect of distributive justice on employee reactions such that, depending on the perceived fairness of the procedures underlying their identification as talents, talented employees perceived an unequal allocation of resources as more or less fair and reciprocated accordingly by increasing or decreasing their work effort. The results of the mixed-methods studies included in our review supported the importance of fair procedures, reporting that talents complained about the lack of clarity and transparency of promotion procedures (Swailes & Blackburn, 2016; Thunnissen, 2016).

Theoretically, scholars have suggested that people are prone to fairness judgments in situations of social interdependence. More specifically, when people are confronted with an authority who has the power to decide on the distribution of certain resources (e.g., providing access to TM practices or assigning talent status), thoughts of potential exploitation and exclusion come into play. Especially when the trustworthiness of the authority (e.g., the organization) is questioned, people will react to employer inducements based on the perceived fairness of the procedures followed to distribute these outcomes. More specifically, employees will react more positively to an outcome they receive from an authority when allocation procedures are believed to be fair as opposed to unfair (Van den Bos & Lind, 2002). Like transparent communication, procedural justice can thus help talents manage the uncertainties associated with TM, caused in this case by power relations within organizations that are characteristic of the dependence of one actor on another in social exchange (Cook & Rice, 2003).

A third potential moderator of the relationship between TM and employee reactions is HR attributions ($k=2$ non-empirical articles; 0 empirical articles). HR attributions refer to employees’ causal explanations for why management adopts particular HR practices (Nishii, Lepak & Schneider, 2008). Research has shown that the same HR practices can be interpreted
as commitment-focused or control-focused by employees, and that these attributions influence employee attitudes and behavior (Malik & Singh, 2014; Meyers & van Woerkom, 2014). This idea also relates to more critical qualitative research on TM, which has highlighted that the notion of talent ‘management’ inherently implies a form of control over talented employees and a restriction of their agency (e.g., Thunnissen et al., 2013a; Tansley & Tietze, 2013).

From a theoretical perspective, HR attributions is also an interesting moderator for research on employee reactions to TM because the consistency of HR attribution perceptions has been argued to evidence the alignment of HR practices (Nishii et al., 2008). More specifically, employees can attribute TM practices different from how these are intended by business and HR leaders due to, for example, inconsistent enactment by line managers. Reflective of a weak organizational TM system, this inconsistency in HR attributions creates ambiguity that renders it less likely for TM practices to elicit positive employee reactions. Another interesting theoretical construct that is related to HR attributions is self-serving bias—i.e., the tendency to attribute positive outcomes to personal factors such as ability and negative outcomes to contextual factors such as the complexity of a task (Campbell & Sedikides, 1999). Especially strong in situations characterized by skill and chance, self-serving bias is likely to make employees believe that their talent status is the result of their own efforts. When talented employees overestimate their own contributions while underestimating the investment on the part of the organization, they will perceive an imbalance in the exchange relationship (Morrison & Robinson, 1997). In this way, the self-serving bias can increase the risk of psychological contract breach.

**Remaining Gaps in Research on Employee Reactions to TM**

As shown in Figure 1, some of the most prominent findings in our review were unexpected and do not fit the basic theoretical assumptions made in the TM literature. Most
remarkable were the negative reactions to TM found in talents and the observation that no research to date has explicitly examined non-talents’ reactions to TM. We propose, therefore, that these are two of the most important gaps in research on employee reactions to TM.

**Negative reactions of talents to TM.** Our review showed that talented employees also react negatively to TM, reporting an increased risk of PC breach, stress, insecurity, and identity struggles at work. To make sense of these findings, it seems important to note that positive and negative affective reactions in talents are not mutually exclusive; for example, one can be highly committed and highly stressed at the same time. The findings on negative affective reactions in talents should not be taken lightly, however. Especially the increased risk of burnout and the creation of a ‘false self’ in talents can hardly be cancelled out by increased levels of organizational commitment or job satisfaction, and can potentially have much more serious implications than positive affective reactions. Therefore, these factors warrant careful further examination. Interestingly, the more unexpected findings in our review—on negative affective reactions and PC imbalance and breach in talents—can *also* be explained by social exchange theory. To do so, however, we need to extend our current theoretical understanding through using elements of the theory that to date have rarely been acknowledged in the TM literature: Power and social identity.

*Power,* in social exchange theory, refers to the inequalities resulting from ongoing relations of social exchange, as some actors control more highly valued resources than do others. In the context of TM, such inequalities can be found at two different levels—the inequality between management and employees (e.g., in access to information), and the inequality created between talents and non-talents (e.g., in access to career opportunities). This may help explain our review finding that being identified as a talent creates an imbalance in the PC in favor of the talented employee; when employees are identified as talents, they become aware of their unique value for the organization, resulting in a power
shift from employer to employee. Talented employees hold power over their organizations to the extent that these organizations rely on talents to create unique value and attain competitive advantage (Thunnissen et al., 2013b).

Although the topics of power and inequality are implicitly discussed in the TM literature—especially in the more recent stream on inclusive TM (e.g., Swailes et al., 2014), we propose that a more deliberate examination of these concepts and their potential role in TM research is needed to fully understand employee reactions to TM. One way in which researchers could investigate the role of power is through manipulations of the degree of workforce differentiation in experimental vignette/scenario designs. Arguably, the power of talents is related to their degree of uniqueness within a specific organization; the higher the percentage of employees identified as talents, the less unique a talent is for the organization and hence the lower is his or her bargaining power. It would be interesting to see whether manipulating the degree of workforce differentiation (e.g., asking participants to imagine a TM system in which 1% vs. 30% of employees are identified as talents and to pretend that they have been selected for this talent pool) has an effect on the balance between perceived employer and employee PC obligations.

To understand the finding on talents’ identity struggles in our review (Dubouloy, 2004; Tansley & Tietze, 2013), the TM literature would benefit from a deeper discussion of the relationship between social identity and talent status. Social identity theory has been applied to counter the perceived focus on purely instrumental considerations in social exchange theory (Restubog, Hornsey, Bordia, & Esposo, 2008). Specifically, the theory proposes that employees do not only react to how their organization treats them objectively, but that their reactions are also determined by identity-relevant information communicated by this treatment—i.e., whether employees are valued in-group members or marginalized out-group members. In that sense, TM practices are not just practices, but also symbolic carriers of
meaning (cf. signaling theory, Dries et al., 2014; King, 2016). Employees who feel valued by their organization over time integrate more and more of its perceived attributes into their self-concept—which explains Tansley and Tietze’s (2013) findings around experienced conformity pressures in talents. However, in extreme cases these pressures can also lead to the development of a false self (Dubouloy, 2004). We propose that the literature on employee reactions to TM would benefit from a closer examination of the optimal balance between organizational identification and authenticity in talents. In particular, quantitative studies could measure identification with the organization as a moderator variable to check whether it negatively impacts reactions of talented employees who identify to an extreme extent with their organization.

**Reactions of non-talents to TM.** In recent years, the non-empirical literature on employee reactions to TM has witnessed a trend towards advocating more inclusive approaches to TM. Inclusive TM emerged as a response to the critique that exclusive TM evokes negative reactions in non-talented employees which could potentially lead to negative ‘net effects’ of TM at the group level (Gelens et al., 2013; Swailes, 2013). As a result, organizational decision makers are increasingly calling into question the legitimacy of their existing TM systems, often leading to temporary solutions where TM practices are kept secret from employees—in many cases even from those identified as ‘talents’ (Sonnenberg et al., 2014). Scholars and practitioners typically fear that communicating openly about TM will lead to jealousy (e.g., Dries & Pepermans, 2008), competitiveness (e.g., King, 2016), and feelings of exclusion (e.g., Swailes, 2013) among employees not selected for a talent pool.

From our review, however, we must conclude that there is no real evidence (yet) for negative reactions in non-talents to TM. Most researchers have primarily been interested in positive reactions of talents and, consequently, have paid little attention to reactions of employees outside of the talent pool. Based on current empirical evidence from studies
comparing talents to control groups, all we really know is that non-talents score relatively lower in terms of positive behavioral reactions to TM. These findings, however, do not indicate negative behavioral reactions in non-talents in absolute terms—this group still reports, for example, moderate to high levels of performance and work effort (Dries & Pepermans, 2007; Gelens et al., 2014). Moreover, several studies that compared positive attitudes and cognitions between talents and non-talents found no significant differences—providing indirect evidence against the assumption that non-talents react negatively to TM (Swailes, 2013). Finally, with the exception of Swailes and Blackburn’s (2016) mixed-methods study, none of the studies measuring negative reaction variables included non-talents as part of their sample.

We must thus conclude that research on the effects of TM on non-talented employees is still lacking and that this issue is an important avenue for future research on employee reactions, if not the most important one. Recent case studies have shown that organizations, in a bid to avoid (assumed) negative employee reactions, are starting to experiment with the degree of exclusiveness of their TM programs (Festing, Schäfer, & Scullion, 2013). For instance, A.P. Moller-Maersk (APMM) Group—a Danish-based global logistics provider with 100,000 employees in 130 countries—increased the proportion of employees in their talent pool from 1% to 30% in 2009, based on the belief that a more inclusive system would create more desirable employee reactions (Hjordrup, Jensen, & Minbaeva, 2015). Before scholars and practitioners jump to flawed conclusions and make important TM decisions based on unproven assumptions, TM research should first further investigate the assumption that non-talented employees react negatively to TM.

**Methodological Limitations of Existing TM Research**

Methodologically, three main limitations of existing research need to be addressed in the future. First, the limitation of not being able to demonstrate *causality*. If we want to study
employee ‘reactions’ to TM, we need to be able to exclude the reverse causality hypothesis that reactions to TM (e.g., performance) are actually predictors of talent status. To date only cross-sectional studies on TM exist, at least on the quantitative end. There are, however, two qualitative studies that have followed talents over time (i.e., Thunnissen, 2016; Dubouloy, 2004). In future research, pretest-posttest intervention studies, longitudinal field studies, and lab experiments are all potential designs that would enable us to rule out reverse causality explanations for our review findings, and to distinguish between short- and long-term effects of TM on employees.

The second limitation is fragmentation in terms of operationalizations and measures that hinders accumulation of knowledge across studies. To date, it is therefore not advisable to conduct a meta-analysis on employee reactions to talent management. While we propose that TM practices and formal talent status should be the focal variables of interest in studies on employee reactions to TM, future studies would also benefit from examining different TM operationalizations simultaneously to see how these interact in predicting employee reactions. In existing studies, for instance, it is very difficult to disentangle the effects of TM practices and talent status such that we cannot conclude with certainty which of them is causing the reactions (Gelens et al., 2014). Moreover, employee reaction variables are scattered in current research. Researchers use very diverse measurements of affective, cognitive, and behavioral reactions which renders it difficult to make accurate comparisons across studies. At the same time, researchers also rarely study all three types of employee reactions together. This might keep the field from grasping the actual complexity of employee reactions to TM. Related to this issue is the fact that, up to now, negative reactions are only investigated in qualitative research. Quantitative research, on the other hand, solely focuses on positive variables, ignoring potential negative affect (e.g., stress, insecurity, anxiety) and cognitions (e.g., PC breach, identity struggles) in talents. Future quantitative research should also include these
negative variables if it aims to offer a more nuanced and complete image of employee reactions to TM.

The third and final limitation is that of adopting a single *measurement level*. Testing the theoretical assumptions of TM alignment and its effects on employees requires multilevel theorizing and analysis, both of which are currently completely lacking from the TM literature (Dries, 2013). Most likely this is because properly applying HR practice alignment theory to TM would require measuring the same TM components at different levels, which is often challenging in practice. Moreover, to date, quantitative research on employee reactions to TM has solely focused on employees as respondents (some qualitative studies have interviewed both employees and HR managers; e.g. Dries & Pepermans, 2008). If we want to understand the effects of talent philosophies, TM objectives, the degree of workforce differentiation, and the TM system and how these trickle down into perceived TM practices, talent status and individual employee reactions, finally amounting into group-level and organizational-level effects in terms of organizational performance (Figure 1), we need multilevel studies.

**Practical Implications**

Based on the findings of our review, we have formulated three suggestions for practitioners who design or implement TM. First, we suggest that TM might not always result in the desired return on investment. Organizations invest large amounts of money into TM based on the belief that these investments will result in strategic advantage by creating positive reactions in talented employees. Our review shows that this is only true to some extent. TM practices might, for example, miss their intended effects in terms of positive affective employee reactions when they are management- (e.g., workforce planning) rather than development-focused (e.g., management commitment) (Barkhuizen *et al.*, 2014). Moreover, TM can even create negative affective reactions in talented employees such as
stress, anxiety, and identity struggles. Similarly, assigning talent status does also not always guarantee more positive reactions in talents compared to non-talents. Talent status is sufficient, however, to make talents aware of their unique value in the organization and to create an imbalance in perceived obligations in the disadvantage of the employer, thereby increasing the risk of PC breach. These results point out that, in evaluating employees’ reactions to TM, organizations should not only rely on observable behavior, but also pay attention to more covert emotions and cognitions such as negative affect and the risk of PC breach. Burnout prevention and expectation management among talents seem particularly important in this respect.

The second suggestion concerns the problematic role of uncertainty in TM. Several of the negative employee reactions mentioned before (e.g., PC imbalance, stress) can be countered by reducing the uncertainty that often characterizes TM in organizations. In our review, we have identified TM communication and fairness as important factors that can help organizations reduce uncertainty. Although studies estimate that two in three organizations opt for ‘strategic ambiguity’ in communicating about their TM practices (Dries & De Gieter, 2014), secrecy and ambiguity are potentially detrimental for employee reactions, as information often tends to ‘leak’ to employees. Therefore, we advise organizations to communicate transparently about the procedures and criteria used to identify talents as well as the expectations related to the assigned talent status. This advice is directly related to our observation that the perceived fairness of TM might be more important than the actual TM practices of organizations.

Finally, we did not find support in the existing empirical literature for the general critique that exclusive TM is likely to evoke negative reactions among non-talented employees (Swailes, 2013). In fact, our literature review could not identify a single study that explicitly investigated the reactions of non-talented employees to TM. We therefore suggest
that organizations that are considering the implementation of an inclusive TM system, because they fear negative reactions of non-talents, should postpone this decision until more conclusive evidence has been established. As of yet, research does not allow us to draw definite conclusions about employee reactions to either inclusive or exclusive forms of TM.

Conclusion

The basic assumption that those selected for TM programs will always react positively to them, while those not selected will react negatively appears at best, to lack nuance and at worst, to be simply incorrect. At the very least, these conclusions cannot be drawn in a valid and replicable manner from the available evidence in the academic literature. Further research on boundary conditions, both at the employee and organizational level of analysis, is urgently needed to prevent both scholars and practitioners from jumping to flawed conclusions about employee reactions—conclusions that will, without a doubt, carry serious implications for how talent management as a phenomenon will develop further both in organizational practice and theory.
References


Table 1

*Integrated Findings of the Quantitative Studies (k=16) Including Weighted Mean Effect Sizes and 95% Confidence Intervals*

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Evaluation of the overall evidence</th>
<th>Number of studies</th>
<th>Significant effects / reported effects</th>
<th>Weighted mean effect size</th>
<th>95% LLCI</th>
<th>95% ULCI</th>
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<td>3</td>
<td>15/27</td>
<td>.38</td>
<td>.34</td>
<td>.42</td>
<td>Chami-Malaeb &amp; Garavan, 2013; Barkhuizen et al., 2014; Luna-Arocas &amp; Morley, 2015</td>
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<td>Cognitive</td>
<td>Positive</td>
<td>4</td>
<td>5/45</td>
<td>.25</td>
<td>.23</td>
<td>.28</td>
<td>Barkhuizen et al., 2014; Du Plessis et al., 2015; Höglund, 2012; Sonnenberg et al., 2014</td>
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<td>.43</td>
<td>.37</td>
<td>.48</td>
<td>Chami-Malaeb &amp; Garavan, 2013; Du Plessis et al., 2015; Luna-Arocas &amp; Morley, 2015</td>
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<td><strong>Independent variable: Talent status</strong></td>
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<td>9/18</td>
<td>.16</td>
<td>.11</td>
<td>.21</td>
<td>Björkman et al., 2013; Dries &amp; Pepermans, 2007; Dries et al., 2012; Gelens et al., 2015; Gelens et al., 2014; Seop et al., 2015; Swailes &amp; Blackburn, 2016</td>
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<tr>
<td>Cognitive</td>
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<td>26/39</td>
<td>.29</td>
<td>.25</td>
<td>.33</td>
<td>Björkman et al., 2013; Dries et al., 2012; Dries et al., 2014; Gelens et al., 2014; Gelens et al., 2015; Khoreva &amp; Vaiman, 2015; Seopa et al., 2015; Swailes &amp; Blackburn, 2016</td>
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<td>.26</td>
<td>.41</td>
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*Notes.* aThe overall evidence was evaluated based on a combination of the weighted mean effect size, the ratio of significant effect sizes to reported effect sizes, and the pattern of the non-significant effects. The weighted mean effect size served as the guiding indicator. As such, it led us to evaluate the overall evidence for four out of six relationships as ‘Positive’. The evidence for the two remaining relationships was evaluated as ‘Mixed: positive / null’. In case of the relationship between talent status and affective reactions this evaluation was based on the very small effect size, and in case of the relationship between talent status and cognitive reactions this evaluation was based on the clearly interpretable pattern of non-significant effects (i.e., most non-significant effects were found in studies that investigated perceived employee obligations towards their employers). bFor TM practices, we report the mean Pearson product-moment correlation coefficients (Pearson’s r). For talent status, we report the mean standardized mean differences (Cohen’s d). To calculate the weighted mean effect sizes, all single effect sizes were weighted by their inverse variance (Lipsey & Wilson, 2001). cNote that all non-significant effect sizes were reported in one study by Barkhuizen et al. (2014) with a small sample size (N = 60).
### Table 2

**Integrated Findings of Qualitative Studies (k=7)**

*Notes. a The two mixed-methods studies (Swailes & Blackburn, 2016; Thunnissen, 2016) were included both in the quantitative (Table 1) and the qualitative (Table 2) tables.*

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Overall evaluation of evidence</th>
<th>Number of qualitative studies</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective positive</td>
<td>Mixed: positive / null</td>
<td>1</td>
<td>Thunnissen, 2016</td>
</tr>
<tr>
<td>Affective negative</td>
<td>Positive</td>
<td>5</td>
<td>Dubouloy, 2004; Dries &amp; Pepermans, 2008; Tansley &amp; Tietze, 2013; Dries &amp; De Gieter, 2014; Festing <em>et al.</em>, 2015</td>
</tr>
<tr>
<td>Behavioral</td>
<td>Positive</td>
<td>2</td>
<td>Dries &amp; Pepermans, 2008; Thunnissen, 2016</td>
</tr>
</tbody>
</table>

*Independent variable: Talent status (with control group)*

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Overall evaluation of evidence</th>
<th>Number of qualitative studies</th>
<th>References</th>
</tr>
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<tbody>
<tr>
<td>Affective positive</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Affective negative</td>
<td>Negative</td>
<td>1</td>
<td>Swailes &amp; Blackburn, 2016</td>
</tr>
<tr>
<td>Cognitive</td>
<td>Mixed: positive / null</td>
<td>1</td>
<td>Swailes &amp; Blackburn, 2016</td>
</tr>
<tr>
<td>Behavioral</td>
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</tbody>
</table>
Figure 1. Integrated Framework of Employee Reactions to Talent Management.

Notes. Terms in italics are, to date, exclusively found in the non-empirical TM literature; terms with an * are exclusively found in qualitative empirical studies.