

What Drives Competency Modeling Integration In Talent Management ? The Case Of French Smes

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Abstract:

Purpose

Literature on competency modeling (CM) integration in Talent Management (TM) is gaining attention, but we still lack knowledge about this issue in SMEs and in European contexts, such as France. This study aims to explore CM integration within TM specifically in French SMEs, a largely unexplored domain. Building upon Shet and Bajpai's (2023) framework, our objective is to propose a context-specific CM integration model.

Design/methodology/approach

Employing a qualitative approach, we conducted 25 in-depth interviews with representatives from 20 French SMEs. The study adapts Shet and Bajpai's framework to unravel key drivers and factors influencing CM integration in the unique context of French SMEs.

Findings

Functional, governance, and capability integration emerge as crucial drivers in this context. Additionally, our study highlights the impact of French legislation, SME characteristics, and strategic alignment between top and line management. Surprisingly, information systems play a less significant role in CM integration in French SMEs.

Originality

This research contributes to the existing knowledge gap by presenting a refined model tailored to French SMEs, providing actionable insights for CM integration in Talent Management. The study's originality lies in addressing a critical gap in literature and offering practical recommendations for organizational leaders.

Keywords: *Talent Management; Competency Modeling; SMEs; the French Context; CM integration in TM; Contextual factors*

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I. Introduction

“Competency is the core concept in Talent Management (TM) and provides underlying support for horizontal integration of major HR activities” (Shet & Bajpai, 2023, p. 178). Challenging current assumption around TM and Competency modeling (CM) literature, leads us to question and understand the integration of CM in TM models, in different organizations (Audenaert et al., 2014; Harney et al., 2022). When CM is defined as utilization of knowledge, behaviors, individual traits, abilities, and skills for performing important duties related to a particular job profile (Long et al., 2013; Shet & Pereira, 2021), TM is “the activities and processes that involve the systematic attraction, identification, development, engagement, retention, and deployment of those talents which are of particular value to an organization to create strategic sustainable success” (Gallardo-Gallardo et al., 2020).

On the one hand, TM is considered today as main Human Resource Management (HRM) stream, facing actual and contextual difficulties and contributing to organizational success (Mahfoozi et al., 2018; Collings et al., 2022). It is presented as a main strategy for organizations in disruptive environments in order to achieve global competitiveness (Shet & Bajpai, 2023; Teagarden, 2020). For this purpose, multilevel TM models and approaches highlight the importance of collective reflections (Crowley-Henry et al., 2019) and essentially the mobilization of talents' competencies that promote organizational effectiveness (D'Armagnac et al., 2020). On the other hand, CM has gained attention and has been designed for several applications in organizations, such as strategy dissemination (Campion et al., 2020), training (Loufrani-Fedida & Missonier, 2015), evaluation and performance management (Shet et al., 2019). It has also played a crucial role in the evolution of HR from “a transactional business function to an integrated business function with talent management at the forefront” (Wicker, 2021).

Thus, for many authors, TM is based on talent specificities, including individuals who possess those competencies, knowledge and values that are used to serve the organization (Kravariti & Johnston, 2020; Wiblen & McDonnell, 2020). In addition, the shift towards strategic TM pointed the importance for organizations to focus on key elements of talent (e.g., competencies and knowledge) which are key elements for organizational success (Dang et al., 2023; D'Armagnac et al., 2020; Gallardo-Gallardo et al., 2013). This focus leads to a performance-oriented approach, based on competency model, originally guiding TM practices in the development of human capital for competitive advantages (Shet & Bajpai, 2023). Moreover, the integration of competencies in all TM strategic goals (e.g., attraction, development and retention) has made CM a major component of TM (Audenaert et al., 2014; De Vos et al., 2015).

However, despite the growing interest for TM literature (Al Jawali et al., 2022; Collings et al., 2022) and CM (Campion et al., 2020; De Vos et al., 2015), there is a real ambiguity on the effective integration of CM in TM (Hollenbeck et al., 2006; Shet & Bajpai, 2023), essentially in new contexts (Mahfoozi et al., 2023; Gallardo-Gallardo et al., 2020). In fact, even if some recent studies have started to look at these issues, we underline the need for its development in order to “generate insights that practitioners find useful for understanding their own organizations and for improving their actual organizational decisions” (Gallardo-Gallardo & Thunnissen, 2022, p. 40). Consequently, we need to deepen our knowledge about the existence of real CM integration in TM, and why and under what conditions this relation has an impact in relation to SMEs and to context (Lacey & Groves, 2021). Otherwise, CM and TM issues need an urgent contextualization, in SMEs and public organizations (Harney et al., 2022; Kravariti et al., 2022) as well as in French and European contexts (Skuzza & Scullion, 2021). On the one hand, we focus on SMEs, as SMEs form 99,9% of French organizations in the economic sector with a huge socio-economic imprint and they present a significant mobilizers of job growth (Harney, 2021). In addition, SMEs face perennial challenges to attract, manage and retain talents (PwC, 2019), as they are likely to lack the resources, capability and time for dedicated talent management considerations (Krishnan & Scullion, 2017). Particularly in SMEs, the substantial nature and characteristics of SMEs make them flexible to external changes and factors, not only in their specificities, but also in their work organization and job design (De Vos et al., 2015). On the other hand, we think that France is an auspicious ground for studying CM and TM. First, TM issues are until now dominated by Anglo-Saxon and Asian contexts (Gallardo-Gallardo et al., 2020). Second, France has a huge history in competency models (Muratbekova-Touron, 2009), making appropriate study CM integration in TM. Also, France is ranked 19th in the 2022 Global Talent Competitiveness Index (GTCI), and this research will help to understand how new HR models could contribute to achieve global competitiveness.

Thus, in order to contribute to previous gaps on practical research on TM and CM in new contexts, we contribute by studying CM integration in TM in a new ground of SMEs and in a new French context, mobilizing empirical research. In this order, we use the framework of CM integration in TM developed by Shet and Bajpai (2023), and we try to understand its component applicability in French SMEs (Functional integration, Information System Integration, Governance Integration, Capability Integration, Contextual Integration). Consequently, our research tries to address this research question: *what are the factors that drive CM integration in TM within French SMEs ?*

To address this question, we present in the first section our literature review on TM in SMEs and CM in the French context. We then describe our methodology, and how we have conducted our explanatory qualitative survey based on data gathered from interviews mostly with CEOs, unit directors, HR managers and TM actors. After presenting our results, we discuss our theoretical and empirical implications, and present future research agenda.

II. THEORETICAL DEVELOPMENT

Talent Management in SMEs

The TM movement is a strong subject and trend in the corporate world (Festing & Schäfer, 2022). It has attracted significant attention from academics and has quickly moved up the corporate agenda over the past number of years (Collings & Mellahi, 2009; Lewis & Heckman, 2006; Wiblen & McDonnell, 2020). All this interest is driven by the demographic evolutions and the consideration of immaterial assets to win the competitive challenge (Dejoux & Thévenet, 2015). This particular focus and comprehension of TM is of vital importance, based on the definition and the perception of talent (Thunnissen & Van Arensbergen, 2015), since it has implications for TM practices (Gallardo-Gallardo et al., 2013; Meyers & van Woerkom, 2014). Mahfoozi et al., (2023) showed that TM is a multifaceted construct consisting of two main parts (i.e. Talent Management Mindset and Talent Management Strategy). In this direction, the growing number of publications have made it possible to position it according to key structuring dimensions (Dries, 2013; Gallardo-Gallardo et al., 2013). By emphasizing the different variations of talent characteristics, researchers provide a basis for conceptual definitions related to TM and resulting typical systems (Bolander et al., 2017; D'Armagnac et al., 2020; Sparrow & Makram, 2015).

Also, TM literature has gained a considerable attention these years, moving from private-sector multinational companies (Dang et al., 2023; Collings et al., 2019) towards the exploration of a wider range of contexts, such as public sectors and SMEs (Gallardo-Gallardo et al., 2020; Kravariti et al., 2021). We have a particular interest in SMEs, on the part of their globally recognized economic importance as well as their consideration as an object of research (Harney et al., 2022), with the desire to deepen our understanding of their functioning. In this paper, French SMEs follow the definition of the European Union (2016), as “*the category of micro, small and medium-sized enterprises consist of enterprises which employ fewer than 250 persons; and have either an annual turnover not exceeding EUR 50 million or an annual balance sheet total not exceeding EUR 43 million*”. These SMEs represent 99% of companies in OECD countries, and more particularly in France, where they represent 99.9% of total companies (INSEE, 2018), making a decisive contribution to economic growth (Krishnan & Scullion, 2017; Vaiman et al., 2012). SMEs offer a perfect platform to explore contextual issues in TM and HRM, including when, why and under what conditions HRM does (or does not) make an impact (Harney et al., 2022). This is particularly interesting due to SMEs specificities, such as resource constraints, environmental vulnerability, concentrated control, informality, proximity, etc., (Adla & Gallego-Roquelaure, 2022; Harney, 2021).

In the specific context of SMEs, recent research suggests that, while few SMEs operate with formal TM policies, they may use informal TM practices to ensure the development of the firm (Storey et al., 2010; Valverde et al., 2013). For example, talent attraction and talent development are more informal in SMEs, and talent identification reflects the egalitarian culture of SMEs where more emphasis was placed on teamworking, flexibility, loyalty, and commitment (Kravariti et al., 2021; Valverde et al., 2013). Research also suggests SMEs lack visibility in the market and may not be as attractive to potential employees as large firms, as well as they SMEs tend to operate in separate labor markets and utilize different talent pools (Festing et al., 2013).

Following SMEs' specificities, talents and competencies are a central elements for the success of these organizations (Festing et al., 2013). Thus, developing creative potential in SMEs can be done by increasing the competence possessed by creative HR (Galovská, 2015). In fact, competency and CM have largely been considered in TM literature (Bach, 2017) as a part of TM capabilities, processes and practices (Harsch & Festing, 2020).

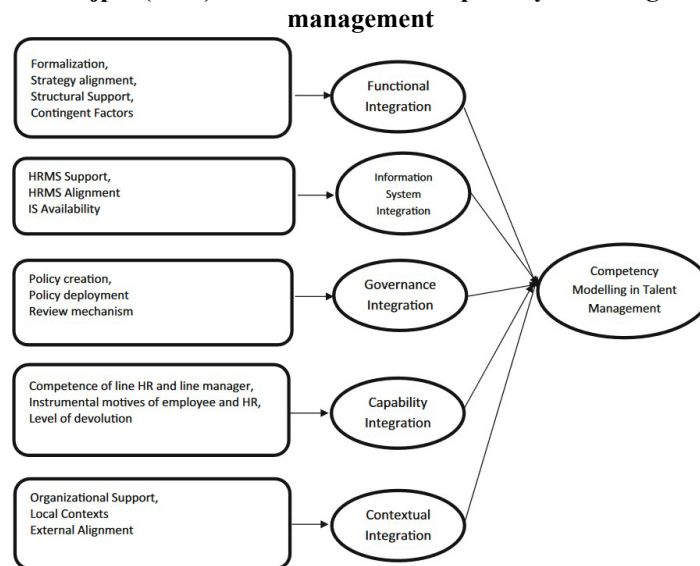
Competency modeling in talent management : focus on the French context

As advanced by Aisha et al. (2019), competency is the fundamental characteristic of a person, which can be a motive, a talent, a skill, a self-concept, or supportive knowledge, and which can affect the resulting performance. In the French context, Loufrani-Fedida and Saint-Germes (2015, p. 6) mention that “there cannot be talent without competence, even if talent is greater than that”. Rutledge et al. (2016) confirm that competency models are frequently used in HRM and serve as the basis for TM. Competencies are “the building blocks of a talent management system” (Berger & Berger, 2010, p. 7). When taking into account the definition of TM proposed by Thunnissen and Gallardo-Gallardo (2019), we can recall illustratively the activities of TM as including “recruitment and hiring, retention, employee engagement, job classification management, compensation management, performance appraisal, competencies, career development planning and succession planning” in which competency models play a crucial role (Taylor & Lee, 2014, p. 9). Usually, in the middle of these activities, competency models occupy a central place and are designed for several applications in organizations, such as strategy dissemination (Campion et al., 2020), training (Anlesinya et al., 2019), evaluation and performance management (Shet et al., 2019).

Unfortunately, as little is known about TM implementation in SMEs, we still lack knowledge about the integration of CM in TM (Dany et al., 2008; Aisha et al., 2019). Therefore, we state that the integration of CM into TM needs both best practice and best fit approaches. Shet and Bajpai (2023, p. 181) consider that “CM integration as a process where organizations attempt to create a fit between TM practices and particular CM needs”. On the one hand, Australian organizations have mobilized CM up to 60% competencies in training and development, 11% in recruitment and selection, and 39% in performance appraisal (O'Neill & Doig, 1997). On the other hand, 85% of US organizations have implemented competency-based models for leadership development (Effron et al., 2005). In the French context, CM are the dominant way of functioning as illustrated previously and present sometimes a dilemma between both approaches (Baret & Oiry, 2014).

However, Shet and Bajpai (2023) noticed that competency integration in organizations is inconsistent and lacks a structured approach and proposed thus a framework for integrating CM in TM. Here, authors pointed functionality, IS/TMS, capability architecture, governance, and contextual integration as main elements. We adopt this framework and synthesis it in Figure 1.

Figure 1 : Shet and Bajpai (2023)'s framework for competency modeling integration in talent management



The first variable of functional integration was presented by authors as “functional variables that enable CM integration in TM practice” (Shet & Bajpai, 2023, p.181), explained by the difficulty to align CM to functional aspect of TM. To integrated both elements successfully, organizations should pay attention to formalization, strategy alignment, structural support, and contingent factors. The second variable highlight the information system as a way for connecting employees with TM through innovation management tools and e-HRM technology (Marler & Parry, 2016). Initial authors advance that the use of informational system will standardize the use of competencies across all TM processes, and internal actors are bound to use these systems to ensure workflow movements in HRMS software. While the third variable of governance integration refers to policy creation and deployment and review mechanisms developed to assess the effectiveness of CM initiatives in TM (p. 182), capability integration is a way for using capabilities in CM to understand, interpret, and implement in TM practices. Finally, As contextual issues are organization-specific, this integration means that organizations must ensure that CM practices are aligned with the context of the organization.

To study the application of this model in SMEs and in the French context, we develop our methodology, research design, data collection and data analysis in the next section.

III. METHODOLOGY

Research design

This study is exploratory in nature, and based on a qualitative research approach (Corbin & Strauss, 2008; Eisenhardt, 1989), taking the form of a survey. We selected this qualitative approach due to the paucity of prior theoretical and empirical work spanning CM integration in TM (Collings et al., 2022; Shet & Bajpai, 2023), and testing new theoretical framework in TM in particular (Gallardo-Gallardo & Thunnissen, 2022). This research is contextually oriented in its nature, and provides rich understanding of the context in which phenomena take place (Al Jawali et al., 2022; Eisenhardt, 1989), particularly in the French one. Indeed, the results of studies carried out in various countries (Vaiman et al., 2018) recommend applying for each context an approach adapted to the conception of actors and societies which dominates locally, in order to have well and truly contextualized results. This contextualization is part of the ambition to adapt the analytical grids mainly from Anglo-Saxon research to the French reality. To do this, we have chosen not to focus on a single sector of activity in order to have the most global vision possible on our theme.

Data collection and analysis

Our study privileged a qualitative survey approach into 20 French SMEs, allowing to conduct 25 interviews with different actors. In order to identify potential SMEs, we have drawn up a first list of potential companies on the basis of the criteria established beforehand, in two phases. The first relates to the characteristics of the companies, in particular the size, the annual turnover (EC, 2015) and the second relates to the proven interest in TM. This approach is extremely important in the context of the validation of theoretical sampling (Eisenhardt, 1989) in our study. Firstly, the characteristics result in the choice of companies with a number of employees less than 250 employees and an annual turnover not exceeding 50 million euros and greater than 10 million euros. These criteria allow, according to the definition of SMEs of the EC, to extract micro and large companies. We use the French DIANE database, which makes it possible to obtain social or financial

accounts over several years as well as the workforce of companies registered in the Commercial Register in France and then Capfinancials for a re- verification. In the second phase, we carry out criteria sampling in order to identify SMEs with an expressed interest in TM. We divide this approach into three stages: (1) we assess these SMEs by their recruitment practices (quality of the job offer, presence on social networks, LinkedIn, etc.), (2) we approach the managers of these companies by mail / telephone in order to ensure the certainty of the adoption of the TM; (3) once the land has been negotiated, we are interested in collecting data by semi-structured interviews and documentation. At the end of this process, a second short list of companies and potential people was generated, and we contacted them by email and directly on LinkedIn.

Our essential data collection is based on semi-structured interviews, given that this investigativetool lends itself to the qualitative nature of our investigation and our research question (Creswell & Poth, 2018). This first essential tool was completed by a secondary data collection, essentially, about companies' websites, documentation provided from HR managers, etc.

As Table 1 shows, we have conducted essentially 25 interviews with company executives, HR managers and TM actors (head of talent, talent managers, talent acquisition). These actors were chosen because of their high knowledge of CM, strategic TM conceptualization, implementation and operationalization. Interviews are carried out, face-to-face, and mostly in video on the date and at the times selected by the interviewees and of varying duration of 20 to 60 minutes because of the pandemic situation related to Covid-19. With the agreement of the interviewees, the interviews were recorded in order to preserve all the content. They took place in four stages (Giannelloni & Vernet, 2002) : presentation (explanation, interaction), development (conventional speeches), deepening (more personal speech) and conclusion (collection of last remarks). In total, our 25 interviews translate more than 15h of changes and around 80 pages transcribed. All data were recorded in the native language of French and selected quotes and examples have been translated into English for the purpose of this study.

Table 1: Summary of the interviews carried out

Company's name	Interviewee – positionCode *	Interview duration	Region
ALPHA	HR manager (A1)	60m	Nice 06300
Beta	HR manager (B1)	21m54	Carros 06510
Gamma	Talent acquisition manager (C1)	17m58	Paris 75009
Delta	Head of talent acquisition (D1)	44m04	Paris 75009
Epsilon	CEO – Cofounder (E1)	21m20	Paris 75009
	Talent Manager (E2)	30m06	
Zeta	HR manager (F1)	54m03	Nice 06300
Eta	CEO (G1)	67m02	Paris 75009
Theta	CEO – CODIR (H1)	30m03	Chambery 73000
	HRM – CODIR (H2)	95m03	
	Communication and Marketing Manager – Codir (H3)	32m32	
	Research & Design Manager – Codir (H4)	27m34	
Iota	Talent acquisition (I1)	35m37	Paris 75000
	Talent manager (J2)	32m45	
Kappa	HR manager (K1)	29m44	Paris 75001
Lambda	Talent manager (L1)	32m02	Paris 75000
Mu	Talent acquisition (M1)	45m11	Paris 75001
Nu	Talent acquisition (N1)	22m02	Paris 75000
Xi	Talent manager (O1)	34m33	Paris 75001
Omicron	Head of talent acquisition (P1)	27m23	Paris 75000
	Talent manager	24m02	Lyon 69000
Rho	Talent acquisition Manager	34m43	Nice 06000
Sigma	HR manager	22m50	Paris 75000
Tau	Head of talent management	40m33	Paris 75000
Upsilon	IT talent acquisition specialist	45m01	Paris 75000

* Data available on request from the authors

By Using the conventional tool of (Miles & Huberman, 2003), we followed several steps for data analysis: 1) we organized the data and transcribed all interviews and translated them from French into English. 2) We then coded data with Nvivo 12 and 3) proceeded with a thematic analysis using a first template analysis (Tlaiss, 2020), elaborated through our literature review. The thematic analysis of texts required the creation of an initial code book based on the themes identified in the review of literature and guided by the research questions

and the interview protocol (Corbin & Strauss, 2008). Thus, some elements from the initial template were confirmed, some infirmed and new thematic and variables appeared.

IV. FINDINGS

We present our results based on the five variables of the Framework of Shet Bajpai (2023). Our analysis highlighted the presence of initially three of the initial model variables and the absence of some components for each variable. We detail these elements in next sub- sections.

Functional integration in French SMEs

First, formalization is presented as the extent to which CM practices and TM are documented, systemized, and incorporated into a firm. Results highlighted its existence in French SMEs, and new elements was added. In fact, SMEs in the French context are giving much attention to formalization and institutionalization of their TM processes (A1), especially due to French contextual factors (e.g., war for talent, geographic context, etc.) (C1, H2) as well as the owner-manager, in relation to SMEs specificities. The war for talent in the French context pushes SMEs to challenge big companies in term of attraction, development and retention of talents. SMEs are transforming their internal management processes, cutting with informality characteristic that usually describes their way of function (O1, H2). This transformation is originated from the owner-manager perspective and decision-making process (O1).

In addition, when considering the HR function in these SMEs, we have found the existence of strategy alignment, following the classic reflection about the combination of CM practices to suit SMEs needs (e.g., alignment with operational issues), TM objectives (TM targets), and TM structures (TM architecture), and then are executed following TM processes. Moreover, due to the hierarchical flattened specificity of SMEs, we found a new dimension of co-creation between HR, line managers and top-management (M1) in considering TM strategic goals and TM practices (e.g., branding; people operations and onboarding (L1); learning and development through performance cycle management (N1), development of feedback practices (C1); career path; management of satisfaction surveys (J1); recommendation for attraction (A1); learning strategy and programs development; tutoring; culture of learning (P1), etc.).

Finally, contingent factors play a crucial role in determining CM (K1, J1, N1). In our case, the French context legislation conduct an important part of talent competencies programs. The obligation to negotiate *GPEC* (forward planning of jobs and skills) agreements, a French singularity, has made it possible to generate social dialogue around skills issues. Thus, CM contingency information will be used as a crucial part in the efficiency of TM. All previous elements are augmented in Table 2.

Table 2: Functional integration results in French SMEs

Model variables	Empirical results	Quotations
Formalization	-SMEs institutionalization	-“We have moved to a development phase where everything is square and organized.” (A1)
	-War for talent Contingent factors: -Geographic factors	-“ The current context pushes SMEs to adopt a form of organization relatively close to large organizations, even if there is a lack of resources.” (C1)
Strategy alignment	-Owner manager role	-“ We are constantly looking for talent because we are geographically close to Switzerland, which is an attractive territory.” (H2) -“All formalization initiatives come from the owner- manager.” (O1)
	-TM goals	-“As SME, our strategic goals are to successfully attract, retain and develop talents, in order to allocate resources.” (P1)
	-TM architecture	-“Our TM practices are inclusive, and we consider all employees in the organization as talent, including interns.” (B1)
	-CM orientation	-“For CM, we cite essentially the adaption to the workplace and the maintain of employees in employment and training and focusing on competencies in all HR operations” (G1) -“To successfully combines all elements, top-managers and line-mangers should co-reflect and co-create processes.” (M1)
Contingent factors	-Legal factors	-“ You should know that the legislation in France is very attentive to HR issues, particularly in CM obligations.” (K1) -“Since 2005, companies have a general training obligation, but not only.” (N1)
	-Social factors	-“The implementation of a forward-looking management system for jobs and skills, in particular to meet the challenges of ecological transition, as well as the accompanying measures likely to be associated with, in particular in terms of training, contribution to the personal training account, validation of acquired experience, skills assessment” (J1) -“We have different negotiations with representatives of employers and

		trade union organizations representing employees with the aim of concluding a convention or an agreement, and it is mandatory” (B1) -“Social negotiation is a moment of dialogue making it possible to optimize the management of human resources” (H3)
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V. Governance Integration

Governance is the refers to policy creation and deployment and review mechanisms developed to assess the effectiveness of CM initiatives in TM. Results about this variable are presented in Table 3. First, concerning policy creation, we have found a strategic congruence in TM (C1). We think that, in SMEs, strategic congruence is a main factors of TM success dueto the organizational size. All decisions taken in SMEs have a crucial consequence on the aboveorganization and all disaccord highly impacts the organization. However, as highlighted previously, internal factors such as organizational size is presented as control mechanisms towards a more innovative approach of TM (N1).

Concerning policy deployment, managers play a crucial role in TM application through TM processes and goals (O1, H1). In fact, a fundamental aspect of previous idea resides in processsthat builds consensus on the deployment of strategy through continuous top-down and bottom-up communication, enabling employee buy-in to the process, whereas the CM-TM is mainly top-down driven. Otherwise, review mechanism was identified as main indicators reflecting the output of TM deployment in the organization, based around essentially TM strategic goals: attracting, retaining and development. SMEs use some practices related essentially to performance monitoring, based on annual- and mid- year interviews and also performance reviews. For each strategic goal, we highlight that SMEs implement indicators in order to get a better vision of efforts (H1, H3, N1).

Table 3: Governance Integration results in French SMEs

Model variables	Empirical results	Quotations
Policy creation	-Strategic congruence -Organizational size	-“Without a common vision between top- management and line-managers, we think that our TM programs will not be efficiently executed.” (C1) -“A global implication of all talents is important.” (E1) -“We still not free to implement a new different models of TM and competency development.” (N1)
Policy deployment	-Manager’s role -Feedbacks -Communication	-“Managers play a crucial role in TM practicesdeployment and information sharing.” (H1) -“Feedbacks usually are ensured by line-managers”. -“Annual interviews are made by line-managers.”(O1)
Review mechanism	-Outputs	-“We are optimistic and expect a lot from MT programs.” (H1, H2) -“ We are concerned about three main elements: attract, develop and retain”. (N1) -“We use some practices in performance monitoring, such as 1)performance reviews, 2) annual reviews and 3) and mid-year reviews”. (E1)

Capability Integration

or capability integration, policy creation, policy deployment and review mechanism are main elements in the framework. Our results, presented in Table 4, highlighted two of thesevariables in French SMEs. First, we highlight the competence of line-managers, and inparticular leadership competencies and long-term vision (E2, P1). On the one hand, they have developed a transformational leadership style, which translates into the ability to identify, develop and support other talents. We have identified this dimension in the SMEs in the study,where front-line talents will support back-line talents. In this case, the first-line talent could correspond to a manager, who is the entry level of management and has the closest contact withthe workers. He is directly responsible for ensuring that the objectives and plans of the organization are implemented effectively and likewise he is the keystone of supporting talent at lower levels (N-1 or back-line talents). On the other hand, as previous results highlighted strategic congruence between - top and line- management, we have found a long-term vision offline manager’s in competency development programs for example, and in anticipating activity requirements. In addition, the implication of line managers in the TM project, permitting to share information about feedbacks and performance is one of the most important instrumental motivations in TM dynamics in SMEs (A1).

Table 4: Capability Integration results in French SMEs

Model variables	Empirical results	Quotations
Competence of line HRand line manager	- Leadership development - Manager’s vision	-“We are so attentive about leadership competencies when highiring or promoting talents to manager’s positions” (E2) -“Among main competencies, we look forparticipation in division making, and this is

		something that we could offer as an SME.” (P1)
Instrumental motives of employee and HR	- Inclusion in the project	-“Manager’s implication in the project is essential, and we have seen some experience when it was decisive for the project success.” (A1)

Contextual Integration

For contextual integration, we highlight some variables that impact CM integration in TM. First, the French context push companies to apply legal obligations in terms of HRM. As French Constitution, the French codified collection of employment law provisions known as the "Code du Travail", Collective Bargaining Agreements known as "Conventions Collectives de Travail" and work regulations known as "Règlement Interieur" applicable to discipline and health and safety standards: "France is a country of law, where the majority of HR actions refer to legal obligations, to be implied or to be respected" (N1). On the one hand, contextual factors orient partially CM, goals and practices. Thus, TM in SMEs is integrated in the French context, and follow French laws. On the other hand, as France is the 7th economic power in the world, the context is highly competitive and SMEs, with high vulnerability to external changes, should innovate and adapt their HRM in order to survive. Thus, SMEs aligns their trainings with the corporate strategy, TM goals and architecture: "As today business face highly competitiveness, from not only SMEs, but also big companies, our TM approaches and reflection on competencies in dynamic and in permanent evolution" (C1).

VI. DISCUSSION AND CONCLUSION

Theoretical implications

We contribute to advance research on CM integration in TM in a new context of French SMEs. According to our knowledge, this is the first study that aimed to elucidate the elements of CM integration in TM through an empirical investigation of Shet and Bajpai (2023)' framework, based on its components in French SMEs. This research contributes to this issue on different ways.

Frist, we contribute to bring together two fields of research, managerially close but structurally different: TM and CM (Lewis & Heckman, 2006). We deal with TM literature gaps by contributing to issues related to new organizations exploration and new contexts integration by answering twice calls for TM in SMEs (Collings et al., 2022; Cui et al., 2018; Harney et al., 2022) and in a new context of France (Al Jawali et al., 2022; D'Armagnac et al., 2020; Gallardo-Gallardo et al., 2020). On the one hand, while focusing on SMEs, we tried to advance actual reflections around nature, determinants and impact of HRM in the SME context (Harney et al., 2022) and move beyond the 'underdeveloped and equivocal' nature of HRM (Chadwick & Li, 2018, p. 311). Thus, we tried to move beyond universalistic stances and models, to explore more appropriate conceptualization of CM integration in TM, enabled by greater recognition and accommodation of key SME characteristics, which are, for us, main factors to consider while mobilizing TM strategies (Allen et al., 2013; Harney et al., 2022). Here we consider that CM integration in TM follows the soft approach of HRM, with a central assumption that talent are the company's most important assets who are critical to a company's long-term business strategies (Adikaram et al., 2021). Thus, we have seen a formal adoption of CM-TM in French SMEs, reflecting the high implication of owner manager in decision making in SMEs and also contextual factors impact on HRM decisions (Adla & Gallego-Roquelaure, 2021). As showed by Dang et al. (2023), the context plays a crucial role with contextual impacts on TM practices and effectiveness, based on circumstances, cultures, strategies, and leadership. Moreover, CM play a crucial role in formalization of TM, as CM is already having a formal conception due to French context requirements. We go beyond the usual reflection on TM as an informal HR strategy to focus on HR formality in SMEs (Barrett & Mayson, 2008). Also, competition from international firms and state-owned companies make formalization as a solution for SMEs to adapt their TM processes. This reflection goes beyond TM programs in German and Spanish SMEs (Feting et al., 2013; Valverde et al., 2013), who prefers informal approaches towards talent. On the other hand, the French context in which the study was taken impact HRM as function (Wright & Nishii, 2013) and is largely neglected in academic TM research (Thunnissen & Buttiens, 2017). We highlight the contextual relevance of TM (Gallardo-Gallardo et al., 2015; Khilji et al., 2015; Thunnissen, 2016) and advance the impact of contextual dynamics in CM integration in TM from a legal and organizational ways. Competency signals organizational values and conveys expectations about performance standards. Also, in the French context, the development of skills management is marked both by collective bargaining and by legislative initiatives (Gregory and Milner, 2009). Thus, the weight occupied by collective bargaining in highlighting the forward-looking management of jobs and skills, the main vector of skills management, adds to the importance of legislation. For example, the skills assessment is analyzed as an employee right, a right enshrined in the Labor Code (article L931-21 of the Labor Code, following a law of December 31, 1991). Moreover, training remains the norm of operation in the French context and the observation of a transition from the compulsory budget to the personal training account, favoring the individualization of training rights and the ability to accumulate them within a personal training account. Therefore, the consideration of previous issues in thinking about TM is crucial for the success of the latter. This

leads to decline the universal perception of HRM models and helps to better understand their applications, since contextualization identifies boundary conditions or limitations surrounding the generalizability of the research findings (Gallardo-Gallardo et al., 2020).

Second, by assimilating the need for CM integration for effective TM, we advance previous works (Bos-Nehles et al., 2013; Dany et al., 2008) and contribute to this issue by highlighting new elements of integration and deepening existent model with a new representation. In fact, by mobilizing the framework of Shet and Bajpai (2023), we have shown that CM integration in TM is a highly organizational-sensitive issue in SMEs and contextually-impacting strategic step, essentially in French context. Actually, we consider that CM is an upstream step and regulator of TM approaches. While Shet and Bajpai (2023) advanced that organizations struggle to implement CM for many reasons, we advance that in the case of French SMEs, this problem is not presented, but on the contrary, contextual factors helps to shape the integration of the model. Our study made possible to review previous authors' model in French SMEs and present a French SMEs CM integration in TM model in Figure 2. It appears that CM integration in TM is based mainly on three variables: functional integration, governance integration, capability integration, completed by contextual integration and organizational specificities as separate elements of the model. When the formalization of TM in SMEs is an attractive new contribution for functional integration, strategic congruence between top-management and line-management is a crucial element in governance integration. This involves sharing similar expectations, knowledge or assumptions concerning the HRM system and changes in HRM processes across different social groups (Bondarouk et al., 2016), which have positive impact on organizational outcomes. Also, instrumental motivation for managers and leadership competencies are crucial for the success of TM in SMEs, like multinationals (Muratbekova-Touron, 2009). Finally, we argue with Shet and Bajpai (2023) about the needs to integrate CM with TM, as CM objectives are translated into outcomes through TM processes (Audenaert et al., 2014), as a back-and-forth relationship, in which different elements interact in order to align it to its context, by shaping functional integration, strategy alignment and TM and competencies choices.

Managerial and empirical implications

While CM and TM models are getting a growing attention, their combination with HRM functions is recent, particularly in SMEs and in the European and French contexts. Thus, our result proposes empirical implications, addressed to both owner-managers and line managers in SMEs.

First, while CM and TM models are usually implemented and managed separately, we call for giving more and new attention to the combination of both approaches into a new CM-TM integrated models, which highlight at the same time, strategies and practices launched in companies, in a search for solutions to face contextual factors and the paradigm shift that underlie their structures, their HRM systems and more particularly their TM modalities. This new conceptualization combining, both internal and external challenges and specificities, offers a new management reflection, tending in our case into a formal approach of CM integration in TM.

From a HRM point of view, TM allows classic HR tools to be revisited and new tools to emerge, while considering the commitment and empowerment of managers, for example. This desire is at the origin of the instrumentalization of HRM practices following the various evolutions of HRM currents. Moreover, this evolution is moving towards a consideration of TM as a decision-making science at the heart of HRM and in relation with its functionalities, such as CM. In our case, we recommend for French SMEs owners to pay attention essentially, and first of all, to internal organizational strengths, by adopting a global analysis of the current situation of the SME. Then, the attention should be paid to external factors and contingency ones, that impact the company significantly. For the main model implementation, main actors should underline the importance of functional, governance and capability integration, starting from elaborating TM architectures, processes and goals, until TM review through outputs and feedbacks.

From a contextual point of view, we support the complementarity between CM models and TM model, supported by the strong theoretical anchoring of skills and their mobilization on talent themes in the French context. Thus, we recommend to owner-managers and managers to carry out a holistic reflection by including contextual elements as part of an implementation or adaptation of TM in SMEs. Linking the definition and implementation of TM highlights the need to understand the context in which an organization operates to know which approach to TM will be most effective. TM is highly context-dependent, whose contextual dynamics explain the immense variations, in this case, in the meaning, the implementation and the effectiveness of TM processes. Moreover, these grids can be used to rethink HRM and TM within these organizations and to identify the role of each actor. Thus, we wish to raise the awareness of the actors (managers, HR, TM actors, consulting firms, supporting firms for SMEs, the State and its support services, etc.) to the levers and obstacles acting on the adoption of the TM, upstream and downstream of its effective integration. This call could highlight the difficulties encountered by SMEs in the French context, but also the French-style assets of these SMEs, which are generally not integrated into managerial approaches.

Concerning the actors, results show that congruence between the line manager and the owner-manager is a necessary condition for the success of CM integration in TM. While usually owner-managers decide and manage SMEs by themselves, the double reflection resulting from a common vision between top-management and line-management will play an important role in translating TM goals into outputs. We suggest also to implement managerial tools for reviewing managers and integrating them formally in strategic decision making, as they have the high level of proximity with talents on the individual level. We advise also to be aware of the consequences of incongruence between internal actors, which could consequently emerge a negative climate work and an obstacle in strategic decision declination. The consequences of incongruence between internal actors, can lead to confusion, conflicting practices, and hindered alignment within talent management strategies. Such discrepancies may undermine the effectiveness of talent-related initiatives and compromise organizational cohesiveness.

Limitations and directions for future research

We are aware that the test of the model presented in this paper could be limited, as it has not been tested in any environment or organization to assess its validity, but developed through theoretical analysis. Thus, future research could build on our first initiative to test qualitatively the model in a new context, in order to test the fitness of different variables to contextual and organizational contexts and highlight the relation between different components. Moreover, 20 French SMEs from different sectors form our research design. We suggest a larger collect of data based on interviews to expand the research and discuss our results. In addition, while this study adopted an inclusive sector approach, we suggest that future research should adopt a specific sector study, for example IT, due to its dynamic context and the highly contingent nature of SMEs activities. Finally, as set out by Wapshott and Mallett (2021), SMEs can be considered as takers, not makers, of their external environment. They tend not to have the ability to significantly influence the demands placed upon them. We address the need to address environmental changes in ad hoc and reactive ways that can suddenly and significantly alter the ways in which the business operates, and particularly the way CM is integrated in TM.

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