

Study On Impact Of Talent Management On Employees Performance In An Organisation

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ABSTRACT

These days organization's talent is its primary source of competitive advantage. Performance of organization depends upon performance of its employees. Employees of an organization who possess unique competence, prove that it will differentiate them from their competitors. In this competitive environment maintenance of talented workforce is a major task for HR managers along with acquisition. Talent management is a very critical and confusing task. Right Talent acquisition makes organization strategy more strong. Due to the current global economic situation, jobseekers in employment market has increased worldwide, but there is still scarcity of talent in different countries and sectors which leads to increasing problem of "Talent Mismatch".As today's corporate world requires a person with multitasking skill, talent acquisition is becoming very difficult. As a result, it is more challenging to find the 'right' person for the job. Not only job acquisition, even retention of talented workforce has become greatest challenge for organization. Today's changing scenario of business require employee engagement for which HR has to act more tactically as it results as a great tool for talent management. Talent management focuses on how individuals enter, adjust, move across the organization. Talent management will succeed with the support of strong organizational structure. Finer talent management can change the future of the business, but it has to be given the primary role in the organization. If organization implements talent management strategies properly, it will enhance employee's engagement which helps to upgrade organization performance. Higher employee engagement results in higher productivity. This study aims to recognize the relationship between talent management and organizational performance. This study is based on actual evidence build by literature reviews followed in this direction.

Researcher is considered to use different research papers, articles and literatures in order to recognize the positive relationship between talent management and organizational performance. This observed research paper will provide insights to HR managers to develop Talent management as a strategic tool to build employee engagement and thereby upgrading organizational performance.

Keywords- Talent Retention, Employee Engagement, Organization Performance, Competencies

INTRODUCTION

The war of Talent is on.....

"Companies must therefore make talent management a top priority – create and continuously refine their employee value proposition, and source and develop talent systematically" (McKinsey & Co.)

Yes the war of Talent Management has begun... Talent is a primary source of competitive advantage for today's corporate world. The rise in understanding economy has resulted in more focus on acquiring and retaining talented workforce. The best results require the best talent. An effective talent management system is built by winning organization by utilization of strategies to plan at different volume. Winning organization's competitive advantage depends upon the capability to effectively hire, retain, place and engage talent at all hierarchical

levels. Research proves that organization can set up its sustainable advantage by investing in talented personnel today. Organizations plan to apply talent management have to strategically examine its purpose.

OBJECTIVE AND METHODOLOGY

Objective of this paper is to understand talent management, importance of talent management in leveraging competitive advantage of organization. This paper also provides insight on how talent management initiatives can complement organization's recruitment and retention policy.

“A Study on Talent Management and its impact on Organization Performance- an Empirical Review” This study aims at understanding the importance of talent management practice in improving organization performance. In today's world, identifying the right talent, preserving them and develop the right talent. This study is based on secondary data, collected from different sources such as books, websites, articles, etc.

Limitations of the Study

This present study is based only on secondary data and time spent for conducting this research is too short and using of non statistical tools to analyze and interpret the data may not be applicable to whole market.

Talent management is defined by many authors. Such as:

“Talent management is the systematic process of identifying the vacant position, hiring the suitable person, developing the skills and expertise of the person to match the position and retaining him to achieve long-term business objectives.”

“Talent Management basically requires proper diagnose of the current employee attitudes and organizational culture and than targeting the problem through a suitable strategy”.

“Talent management involves individual and organizational development in response to a changing and complex operating environment. It includes the creation and maintenance of a supportive, people oriented organization culture.”

All the above definitions of Talent management states that it is a strategic activity which deals with not only being captive but retaining workforce. In globalize market environment is difficult for HR managers to manage talent in effective way. Talent management is considered as a big challenge for HR managers.

Why Talent Management Is Gaining So Importance?

The concept of talent management is not new. This concept was emerged in the 1990s. This was considered as a responsibility of HR manager and was not compared important to today's times. But today, talent management is given special importance in their organizational structure because of the competitive environment.

Talent management is the most crucial factor in the development of organization. As

- Surveys have showed clearly that there is a relationship between best talent and better organization result. A 2007 study from the Hackett Group found companies that excel at managing talent post earnings that are 15 percent higher than peers
- According to a survey done by the All India Management Association (AIMA), 90 per cent of Indian companies have talent retention problems.
- Hewitt Best Employers in Asia 2005 study clearly shows that best employers record over 60 percent higher revenue growth, 30 percent higher growth in revenue per employee and half the recruitment costs of the rest.
- The context in which business operates has become more complex. New product, changing technology, new market etc. are already putting pressure on business. Talented workforce can easily solve all these problems.
- The best talent can change the future of business.
- Talent management brings together Human resource and management initiatives.

In present, talent management is the most demandable market place. As the studies show that today many organizations are facing difficulties in acquisition and retention as thus results as a challenge for the HR

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managers. In the last decade, many organizations has faced challenges related to acquiring the right person, decreasing attrition, increasing retention rate, etc. HR manager has to identify the problem and come up with a solution. These are some reasons because of which Talent management has become a challenge for HR managers.

Talent management basically involves acquiring, retaining and managing the best talent. Talent management is the process to attract, develop, motivate and retain high-performing employees in the organization. Today Talent management is a strategically important condition. It is very crucial for the survival and development of any business organization.

In today's organization talent Acquisition is considered as one of the most challenging problem for HR managers. To win this "War of Talents", talent acquisition and talent retention is most important.

TALENT ACQUISITION

Talent is more important factor in both global and domestic front as said by many business executives. Talent acquisition is a long term strategic procedure to Recruitment. It is a process of identifying, attracting, developing, engaging and retaining trained workforce. Talent acquisition involves all the side processes like finding, attracting and engaging highly talented employees into your organization. Today, many organizations have recognized Talent acquisition as a strategy to align as organizational goal. Qualitative recruitment has become the need of Talent management strategy.

As per the survey conducted by Deloitte Consulting in the year 2007, the biggest challenge for organization was hiring the right people to meet their strategy objective and retaining them.

It is difficult to acquire the right talent. Talent should fulfill job requirement and should be able to achieve goal of the organization. Today, job market in the world is facing the problem of "Talent Shortage" [i.e. talent not matching job's skill or requirement]. There is no combination of demand and supply of the right talent.

Today corporate world require a person with multitasking skill. Organizations have developed more specific and refined skill set for different positions. Organizations have different job requirements depending on situations and targets. This makes it difficult to find the perfect candidate for the right job. This shows that not the availability but the availability of a skilled employee is difficult. Therefore organization has to consider "Talent Mismatch" as the most crucial task. Organizations are thinking to train their candidates with new skills and techniques. This makes Talent management a very difficult task for the HR managers.

Acquisition of talent does not happen at the time of need. Organization must follow this as a continuous process. At the time of resignation or promotion of any individual, the organizers recruit under pressure. At this time Traditional requirement occurs where Talent acquisition is compromised to get away from "fill in the box" situation thinking that one is much closer to build the skills required to achieve success. Traditional recruitment just fills the open job positions.

Talent acquisition may take long term view for filling positions today, but it helps to recognize talents for future openings. These future positions may be identified by analyzing attrition or looking at the succession management plan. Today, talent acquisition process surrounds the entire pre-hire life cycle, from acquiring the candidate and interview management to contact management and company career site branding. Today organizations use latest technology in its acquisition plan such as video tools, social networking, job matching search engine's etc.

Key Findings from Bersin& Associates report, "Talent Acquisition Systems 2009: Facts, Practice Analysis, Trends, and Provider Profiles."

"Over the last year, the talent acquisition market has changed dramatically. During this down economy, companies are taking the time to rethink their current talent strategies. Solution providers have responded by increasing their partnerships and product offerings. Changes include innovation aimed at replacing the resume, expansion by solution providers into global markets, availability of free products and services in talent acquisition, integration with social networking sites, and market consolidation. "

To replace the traditional resume, Innovative solution providers have emerged in the market. Traditional resume has been replaced by Vipe power, Jobfox, Video resume, etc. The providers for Talent acquisition are- Oracle, ADP Silk Road, etc. Social media has also played dominant role in this with Facebook, Linkdein, Twitter, etc.

The Talent acquisition plan: the plan mainly includes the following core components;

- Development of an existing talent inventory
- Identification of the talent needs of current industry to support future growth
- Measurement of the gap between the two Implementation of specific strategies to close the talent gap to meet the needs of existing industry and attract new business
- Identification of barriers to talent retention and implementation of action steps to resolve those obstacles.

The action plans for Talent acquisition plan:

Larger goal of organization: to create a stronger economic platform through the acquisition of strong industries to expand existing industries.

Focal point: represents a center of activity which identifies barriers and quantifies the existing inventory of talent & create solutions to reach the larger goal.

Action plans that connect strategies to the larger goal are as follows:

- Build an existing talent
- Illustrate the significance of global exposure to industries of interest
- Design & implement programs to encourage in- migration & retention.
- Create peer – to – peer strategy sessions
- Integrate industry needs in key talent recruitment & retention into city's growth goals.
- Create targeted, change initiatives to close the talent gap.
- Introduce new talent perspectives in educational, political & business arenas.
- Increase the community's commitment to new standards in the workforce

This plan & action plans for talent acquisition varies from organization to organization and also depends upon the job specifications.

Talent Acquisition - As a Strategy

Historically organizations did not give much importance to the recruitment process, but lately many are facing the reality of the changing period. Organization can no more choose between the candidates for one position. There have been new opportunities for talented individuals because of change in today's connected world which have turned in their favour. Technology and acquisition strategy is mentioned above. Technology has helped both employer and employee. Technology has brought many advantages to the organization.

A recent survey conducted by Accenture in collaboration with the economist Intelligence Unit found that companies are increasingly turning to global sourcing and delivery in lower cost.

Organizations need to integrate their talent acquisition system with their existing human resource management system (HRMS) and third-party recruitment Providers during implementation. For a talent acquisition system investment to be effective, it needs to be integrated with third-party solutions such as background check providers, assessment providers, and job board distributors. Unfortunately, too many companies make technology decisions on an extemporary basis and fail to recognize the importance of being able to share data among systems until it is too late.

Based on all the research we have assembled over the last few months, we believe that talent acquisition needs to be addressed to the top levels on an organization- public or private, big or small. This means that Talent acquisition needs to fit 'hand in glove' with overall organizational strategy. It is necessary to have appropriate

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resources, it needs to be monitored and reported at all board meetings and it needs to involve as many people who are required to contribute to what organization requires.

The realities of today's demographics have raised the issue of talent attraction and retention to become a critical leadership concern by receiving remarkable attention. An organization can have competitive advantage and can differentiate talent acquisition by searching the demographic trends and project the labour market. Organizations should develop specific support strategies to align with their critical business strategies because now the changing market has revealed that prevailing "one size fits all" practices for HR are not that much effective. As individual approaches customizes the needs of the organization, all approaches leads to critical success factors. This course focuses on the issues and challenges organizations face while attracting and retaining their talent. While introducing the candidates to the requiring recruitment trends in the industry, it helps the candidates to select the best practices and tools from which they can develop their own strategy and to select their own work trends to work.

The talent acquisition system in the market allows to experience growth. Organizations have opportunities to recognize the benefits of investing in new talent acquisition systems and streamline the entire recruitment process. More than that, companies are looking to prepare for the future and the unavoidable hiring rush that is going to occur and are focusing to make smarter technology choices with their limited resources. The providers of talent acquisition systems are responding with complete solutions for identifying, selecting, training, etc. for recruiting candidates.

Talent Retention and Employee Engagement

Talent Management practices and policies that illustrate dedication to human resources results in more engaged employees and lower turnover. Consequently, Employee Engagement has a considerable influence on

Employee productivity and talent retention. Employee Engagement and Talent Management combined can make or break the bottom line(Lockwood,2006).

In today's competitive field retaining the talented workforce is the greatest challenge for HR Department. Now more than ever in the history of business, it is essential for the organizations to manage the employees well. The shift from industrial age, to acknowledge the workers who are sweeping the country, in fact the whole world. In today's informative economy, peoples' knowledge, skills, and relationships are an organization's biggest asset and main source of competitive advantage. An organization having talented workforce can help to lead in the market with a competitive advantage. Many surveys say that on any given day, 76% of the workforce is seeking other employment opportunities. There are many arguments related to this which says that Talent acquisition is more difficult than retention & vice versa. But in our opinion Talent retention is more difficult task as organization has to create loyalty among employees. People related to costs have risen to more than two thirds of organizational spending. Increasingly, talent attraction and retention is viewed as a notable driver of shareholder value and bottom line results.

According to a study completed by the Corporate Leadership Council (Driving Performance and Retention through Employee Engagement, 2004), employees who are committed perform 20% better and are 87% less likely to resign. The process of building Employee Engagement is on-going. Effective Employee Engagement fosters an environment of encouragement, development and learning, support, contribution and recognition(Lockwood).

Lockwood (2006) concludes that it is the work experience and ultimately, the Organizational culture determines the Employee Engagement and retention of talent. Effective Talent Management requires strong and participatory Leadership, Organizational buy-in and Employee Engagement (Lockwood, 2006).

Attracting and selecting the talent is only the start and is one of the simplest phases. Although, pay and benefits may initially attract employees but top- tier organizations have now realized the importance of employee engagement. Engagement is more important than satisfaction. A satisfied employee will be happy with current pay, atmosphere and benefits. The satisfaction may cause hesitation to show extra efforts or achievements, which creates an employee who is happy with the statistics.

Alternatively, engaged employees demonstrate virtuous qualities like:

1. Innovation & creativity.
2. Having an emotional bond to the Organization and its mission and vision.
3. Authentic desire to make the company successful as well as the team.
4. Taking personal responsibility to make things happen.

Why Retention is so Important?

Company Reputation: Maintaining company reputation is an effective way to attract talented employees. By using talented employees, the organization has a better chance to improve its reputation and goodwill.

Costly for organization: turnover of employees is costly for organization. The cost of employee turnover is from 40% - 100% of an employee's annual salary, when we consider productivity, recruiting costs, reduced efficiency in transition and time. Workers shall continue to climb up. Each and everyday, good employees quit their employees for better jobs.

Productivity: A talented employee is self-motivated, self-driven towards the work and he acts as a motivator to other employees in work life. That increases total productivity of the organization.

What Makes Employee to Quit?

All companies are facing serious problems regarding Talent retention irrespective of their size or region. Though many employees say that “payment” is one of the key factor to change their present job, various other reasons were also associated with this. They are:

- Lack of recognition
- Lack of growth opportunity
- No development scope
- lack of adjustment with work atmosphere
- Pay not matching with work
- Pay and other facilities
- Ineffectiveness of mentorship
- Lack of proper allocation of authority and responsibility
- No scope for learning new skills
- Dissatisfaction about perk
- Lack of relationship with management and colleagues

How to Retain Talent?

Talented workforce is an asset for any organization, it is one of the most important challenge for a HR to attract and also retain the talented workforce. Organizations can use a combination of these four strategies viz., benefits, pay, learning and development work environment to create and retain a bunch of talented employees for the organization. Successful companies allocate the same importance to employer branding as much as they give to product branding which helps them in becoming employer of choice. They continuously keep inventing and innovating new ideas to keep talented employees stick to the organization which is changing the face of talent management in India.

Pay

Pay is the one of the most influencing factor in keeping talent in the company. It should be kept competitive to ensure that the employees do not flow to competitors. As monetary aspect plays predominant role in keeping the employee morals, organization has to keep “Pay” matching with industry standard. Organizations participate in the market to market exercise done by agencies that surveys compensation trends. It helps to carry out continuous quick market exercises to verify trends in the market place and findings of Benchmarking exercises.

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IT & ITES players are using variable pay as a strategic tool not only to retain but also for taking the best out of their employees. At Infosys, Variable pay varies from 10-30 percent, whereas at Polaris Software, it varies from 5 percent at lower levels to 25 percent at senior-most level. At Wipro, variable component in pay at higher levels is between 30-50 percent whereas at lower levels, it varies between 7-15 percent. At Infosys, Variable pay varies from 10-30 percent, whereas at Polaris Software, it varies from 5 percent at lower levels to 25 percent at senior-most level.

Today, many organizations differentiates the high performers. In a study conducted in 2005-06 stated that high performers receiver double salary than increased salary of an average performer. Sectors also differentiates in their desire for variable pay. Hewitt’s research also shows that the services sectors offer variable pay more than capital intensive sectors. The success of a company depends on its employees and therefore service-oriented organizations are more willing to include a higher pay element in their payment structure.

In India, there are some 10-15 percent of companies allow executives to make their own mix of salary packages. In case of Eicher Group, it has adopted a flexible pay system in which all managerial employees can design their own compensation package based on their individual needs like car, furnishings, etc. Eicher Group (HR) Head, Ramesh Shankar believes that this flexibility in compensation structuring helps satisfy individual needs better at different stages in his career or life. Some other companies, such as Marico and Accenture have similar approach. The reward management system is playing important role in employee retention.

Factor Analysis

Factor analysis was applied on the responses collected. Considering the seven factors of talent management practices viz. employee engagement, talent acquisition, succession planning, organization culture, employee retention, performance management and talent development appropriate names were given according to the variables that have been loaded on each factor.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.921
Bartlett's Test of Sphericity	Approx. Chi-Square	5143.457
	df	946
	Sig.	.000

To measure the relationship among variables of population Bartlett’s test has been applied. The test generates a maximum value of 0.05. In this case the test has generated a value of 0.000 which is less than 0.05 and seems satisfactory to proceed for further study. This also suggests that it will be appropriate for the researcher to proceed with Factor Analysis for the dataset.

On application of factor analysis on the dataset we found the eigen values as represented in following table. The extraction was done through the method of Principal Component Analysis.

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	17.251	39.206	39.206	17.251	39.206	39.206	5.034	11.441	11.441
2	2.836	6.445	45.651	2.836	6.445	45.651	4.554	10.349	21.791
3	1.950	4.432	50.083	1.950	4.432	50.083	4.146	9.423	31.213
4	1.796	4.081	54.164	1.796	4.081	54.164	3.978	9.041	40.254
5	1.582	3.595	57.759	1.582	3.595	57.759	3.933	8.940	49.194
6	1.156	2.628	60.387	1.156	2.628	60.387	3.007	6.834	56.028
7	1.070	2.431	62.819	1.070	2.431	62.819	2.988	6.790	62.819
8	.993	2.258	65.076						
9	.963	2.188	67.264						
10	.897	2.039	69.303						

11	.809	1.838	71.141						
12	.784	1.782	72.923						
13	.752	1.708	74.632						
14	.708	1.608	76.240						
15	.683	1.552	77.792						
16	.645	1.465	79.257						
17	.605	1.376	80.633						
18	.588	1.336	81.969						
19	.561	1.275	83.244						
20	.529	1.202	84.446						
21	.494	1.123	85.569						
22	.493	1.121	86.690						
23	.472	1.073	87.762						
24	.455	1.035	88.797						
25	.412	.937	89.734						
26	.410	.933	90.667						
27	.378	.859	91.526						
28	.360	.819	92.345						
29	.333	.758	93.102						
30	.316	.719	93.821						
31	.306	.696	94.517						
32	.286	.649	95.166						
33	.259	.589	95.755						
34	.246	.560	96.315						
35	.217	.494	96.809						
36	.197	.449	97.257						
37	.193	.439	97.696						
38	.178	.405	98.102						
39	.167	.380	98.482						
40	.164	.373	98.855						
41	.150	.341	99.196						
42	.125	.284	99.480						
43	.118	.269	99.749						
44	.110	.251	100.000						
Extraction Method: Principal Component Analysis.									

As depicted from the above table there are 7 variables which have more than 1 eigenvalue. These components together can explain 62.8% of the variance.

Factors : Talent Retention

Item NO.	Description	Item Load	Factor Load	% of Variance
33	Attractive Salary	.695	3.955	9.041
32	Additional financial rewards and benefits	.561		
23	Comfortable working hours	.646		
46	Learning Development Programs	.544		
27	Personalized Career Building	.540		
22	Helpful working environment	.510		
21	Effective Communication	.459		

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This factor revealed was talent retention. The components that formed this factor were mostly related to individual satisfaction. These were attractive salary, additional financial rewards, comfortable working hours, learning and development programs, personalized career building, helpful working environment and effective communication. These components together could explain around 9% of the variance. Though small, but this also forms an important factor.

Factor: Employee Engagement

Item NO.	Description	Item Load	Factor Load	% of Variance
37	Balanced work life condition	.668	3.509	8.940
40	Healthy relation between upper and lower level staff	.642		
44	Scope of individual development	.629		
35	Worthy compensation with additional financial benefits	.607		
24	Recognition & Appreciation	.502		
28	Decision making power is granted to employees	.461		

The next factor for talent management practices as revealed was employee engagement. This factor able to explain around another 9% of the variance. This comprised of 6 components namely balanced work life condition, healthy relation between upper and lower level staff, scope for individual development, worthy compensation and financial benefits, recognition and appreciation and decentralization of decision making power.

Factor : Succession Planning

Item No.	Description	Item Load	Factor Load	% of Variance
45	Organization has an actively participating board involved in succession planning	.779	2.918	6.834
41	Organization involve top manager in regular activities of board	.687		
38	Organization forms executive committee to facilitate the development of several employees	.487		
25	Succession planning is continuous process for the company	.484		
42	Organization developed a succession culture	.481		

Another factor revealed from factor analysis was succession planning. It is something which is related to employee turnover. This is the process of identification and development of new leadership in absence of the older one. This new leadership takes over with the retirement of the older one. This factor consist of the components like involvement of organization in succession planning, involvement of top management in regular activities of board, formation of executive committee for development of employees, whether succession planning is a concurrent process and whether a succession culture is being developed in organization. All these components together can explain 6.834% of the variance. **Factor: Talent Acquisition**

Item NO.	Description	Item Load	Factor Load	% of Variance
14	Organization act as strong platform for hopefuls	.630	2.109	6.790

29	Employees understanding of their roles and responsibilities	.515		
20	Managers take active participation in managing their human resource effectively	.483		
15	Selection of candidates are based on judgement of talent	.481		

The last factor arrived is talent acquisition. Talent acquisition is said to be the process of attracting and acquiring the human labour for organization. This factor comprises of whether the organization act as a platform for people, employees understanding of their roles and responsibilities, whether managers take active participation in management of human resources and the candidate selected is on the basis of his/her talent. This explains 6.7% of the variance.

Hypothesis Testing

There is no significant difference exist in talent management practices of service sector with respect to organizational culture

Group Statistics

Institution's Name (Bank or Insurance Sector)	N	Mean	Std. Deviation	Std. Error Mean
Bank	110	-.1102256	.93427627	.08907975
Insurance	71	.1707720	1.07868898	.12801683

Independent Sample Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Diff.	Std. Error Diff.	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	2.254	.135	-1.858	179	.065	-.280	.151	-.579	.017
Equal variances not assumed			-1.802	134.021	.074	-.280	.155	-.589	.027

The highest mean score was noticeable in banking sector i.e -1.10 with Standard deviation 0.9342. The mean score of Insurance sector was .170 with 1.708 of standard deviation. The levene's Statistics = .135 which is insignificant. Therefore, it is assumed that population variance for each group are approximately equal. Since p=.065 which is greater than .05 indicating acceptance of null hypotheses. From the table it can be concluded that there is no significant difference exists in talent management practices of service sectors with respect to organizational culture

There is no significant difference exist in talent management practices of service sector with respect to talent development

Group Statistics

Institution's Name (Bank or Insurance Sector)	N	Mean	Std. Deviation	Std. Error Mean
Bank	110	-.0418725	.99119126	.09450638
Insurance	71	.0648729	1.01714011	.12071232

Independent Sample Test

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	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	.197	.658	-.700	179	.485	-.10674548	.15245075	-.40757737	.19408641
Equal variances not assumed			-.696	146.713	.487	-.10674548	.15330662	-.40972006	.19622910

The results of descriptive statistics stated that the mean values of banking and insurance sector are closer to each other. There seems insignificant value in Levene's test for equality of variance. The result of Levene's statistics is 0.658 showing the variances of groups are not different. The t value at df (179,146.713) is insignificant where p value = .485 signifies acceptance of null hypotheses.

There is no significant difference exist in talent management practices of service sector with respect to talent retention

Group Statistics

Institution's Name (Bank or Insurance Sector)	N	Mean	Std. Deviation	Std. Error Mean
Bank	112	-.0056901	1.01918084	.09630354
Insurance	71	.0089760	.97608306	.11583975

Independent Sample Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	.019	.891	-.096	181	.923	-.01466610	.15211520	-.31481328	.28548108
Equal variances not assumed			-.097	153.852	.923	-.01466610	.15064268	-.31226120	.28292899

The mean values appear in group statistics are not closer to each other. Banking sectors has -.0056 mean with standard deviation of 1.01. Besides, the value of mean in insurance sectors is .008 with standard deviation .976. The Levene's test for Equality of variances is not significant ($p > 0.05$) satisfying the assumption level. The value of t is -.096, where $p > 0.05$ level of significance concluded that there is no significant difference arises in talent management practices of service sector with respect to talent retention

Benefits

Employee benefit is an area in which employers need to look while planning the retention strategy. Welfare of employees is a factor that creates loyalty among the employees. Welfare facilities such as company

accommodation, life insurance, free medical and transport facilities, employee stock option plans (ESOP), tax assistance, credit cards, paid holidays, etc. and many more.

Infosys has a group insurance scheme for its 13000 employees in Bangalore where each employee is covered to the amount of Rs.10 Lakhs. LIC is the provider of this policy. The insured employees do not have to undergo any foregoing medical examination. It is also the first Indian software company to have an Employee Stock Offer Plan (ESOP).

Under the plan, about 110 top performers have been offered 152,000 warrants, which can be exercised to buy the company's shares within the lock-in period of five years. Infosys provides Bus Service from Bangalore city to the Infosys Office to protect its employees from a 60-minute toruble drive through the crowded roads.

TCS offers a number of benefits to employees such as loans for housing, medical insurance for employees and family; welfare trust facilitation for higher education and retirement benefits, durable consumer goods and automobiles, bank extension counters, Air fares for spouse and two children; medical insurance coverage, personal computers, etc.

Learning and Growth

The importance of Learning & Growth in order to retain the ambitious employees cannot be determined especially when the competitors have a well established training system. Learning and growth opportunity not only attracts retain talented workforce but also develops competitive skill among them. According to Prashant Sachdeva, Business Analyst, IT & Research, Elixir Web Solutions, "With the face of business changing & knowledge worker increasing in almost all organizations, the factor that currently retain people are opportunities to learn and grow."

TCS invests about 4 percent of its annual revenues in Learning and Growth to build competency capital within the company in cutting margin technologies, realm and functional regions. TCS aims to create leaders at all stages of the organization. TCS offers a hamper of Leadership Development Programs. TCS also inspires associates to attend various programs at premier B Schools across the globe.

Work Culture

Work atmosphere is one of the influential components while retaining employees at organization. Factors like organizational culture and climate, participation and recognition, communication system, recreation, etc. helps to shape the working environment. These factors binds the employee's long term relationship with the organization. Corporate culture having a healthy community, environment and caring workers strengthen the social- spiritual values which creates a positive work climate of authorized and supported workers.

Talking about the organizations, TCS has an open door policy where they allow employees to directly speak to the top management or the CEO regarding work related problems. Organizing engagement programs and open-house sessions allows to discuss and meet with employees at all the level. Employees can also interact personally with senior management by taking part in one-on-one sessions.

At Infosys, InSync is the internal communication program which focuses on keeping the Infoscion alongside the latest corporate and business developments, and providing any employee to be a "brand ambassador" for the company.

Feedback system also plays a major role in building positive workculture in organizations as it provides a channel by which the problems and any offense can be heard by the top management and it is also a medium by which top management can be updated by the market conditions through the employees which are in direct contact with the market.

Maintaining Image

If an organization has a better image it can attract talented workforce. Identifying the talented employees, providing excellent package to them and challenging work environment are the indicators of corporate image.

Conduct Exit Interviews

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Organizations strictly conduct exit interviews and identify reasons for turnover. The information must be ideally used to plan a good retention strategy.

Concentrate on Development

Organizations adopt new policies and technologies for development. They give freedom to new employees and try to build a long-term relationship.

Employee Information

Organizations must maintain employee information; particularly new employees should be kept in mind even after the recruitment process over. This information will help in identifying their strengths, weakness and setting targets for future.

Employee Engagement: A Tool for Talent Management

For several years now, 'employee engagement' has been a hot topic in corporate circles. It's a buzz phrase that has captured the attention of workplace observers and HR managers, as well as the executives. Employee engagement is the key factors in increasing productivity of the organization by attracting and retaining talented workforce. Productivity of organization is measured by both employee satisfaction and in terms of employee's commitment towards the organization. Positive attitude of employees towards their work shows their engagement in it.

Employee engagement is the level of commitment and involvement an employee shows towards their organization and its values. An engaged employee is aware of the business situation and works along with colleagues to improve performance for the welfare of the organization. The organization has to work to develop and look after engagement, which requires a two-way relationship between employer and employee.' Thus Employee engagement is a barometer that measures the association of a person with the organization.

Several research and studies were conducted on employee engagement issue. Different studies have resulted with different issues. Some of them have focused on logical issues and some focused on emotional issue. Some studies have accepted on following points as key factors in employee engagement issue.

- Trust and integrity– how well managers communicate and 'walk the talk'.
- Career Growth opportunities –Are there future opportunities for growth?
- Relationship with one's manager – Does the employee value his or her relationship with his or her manager?
- Nature of the job –Is it mentally stimulating day- to-day?
- Coworkers/team members – significantly influence one's level of engagement
- Pride about the company – How much self-esteem does the employee feel by being associated with their company?
- Line of sight between employee performance and company performance – Does the employee understand how their work contributes to the company's performance?
- Employee development – Is the company making an effort to develop the employee's skills? Many studies have highlighted different issues, but all of them have considered “direct relation with manager” as the most influencing factor in keeping employee engaged. Some studies have listed out following points:
- Indulge in employee deployment if he feels he is not on the right job. Provide an open environment.
- Provide variety: Tedious, repetitive tasks can cause burn out and boredom over time. If the job requires repetitive tasks, look for ways to introduce variety by rotating duties, areas of responsibility, delivery of service etc.
- Communicate openly and clearly about what's expected of employees at every level - your vision, priorities, success measures, etc.
- Conduct periodic meetings with employees to communicate good news, challenges and easy-to- understand

company financial information. Managers and supervisors should be comfortable communicating with their staff, and able to give and receive constructive feedback.

- Get to know employees' interests, goals, stressors, etc. Show an interest in their well-being and do take what it takes enable them to feel more fulfilled and better work life.
- Be consistent in your support for engagement initiatives. If you start one and then drop it, your efforts may backfire. There's a strong connection between employees' commitment to an initiative and management's commitment to supporting it.
- Celebrate individual, team and organizational successes. Catch employees doing something right, and say "Thankyou." Some of the advantages of Engaged employees are:
- Boosts business growth
- They form an emotional connection with the company. This impacts their attitude towards the company's clients, and thereby improves customer satisfaction and service levels
- It builds passion, commitment and alignment with the organization's strategies and goals
- Makes the employees effective brand ambassadors for the company
- Engaged employees will stay with the company, be an advocate of the company and its products and services, and contribute to bottom line business success.
- Provides a high-energy working environment
- There is a significant link between employee engagement and profitability.
- Increases employees' trust in the organization
- Creates a sense of loyalty in a competitive environment
- They will normally perform better and are more motivated.
- A highly engaged employee will consistently deliver beyond expectations. In the workplace research on employee engagement (Harter, Schmidt & Hayes).

CONCLUSION

Talent management is considered to be one of the challenges for the Human Resource manager to meet the business needs beyond tomorrow. It is crucial for the survival and development of any business organization. Neglecting talent management can be suicidal for any organization especially when the competition is very high.

In present, talent is a hungry marketplace. One of the challenges that organizations are facing to successfully attract, train, retain talented employees. Talent management is an end-to-end process of planning, attracting, recruiting, developing, managing and compensating employees in the organization. Human resource is the only on resource which differs organizations from others. It creates competitive advantage which helps in corporate development of the organization because corporates are facing the problem of shortage of talent. Many jobs do not have the proper employees with proper skills for the required job. So, attracting employees with right talent and retaining them in corporate organization is one of the greatest challenge for a HR manager. Therefore, Talent management is a great confusing task for HR managers. Branding employer and engaging employees can be used as a strategic to retain and manage talents.

In the "War of Talents", Talent has won. Therefore Corporate today consider Talent Management as a Strategic weapon in the battle of Talents.

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