

A STUDY ON THE IMPLEMENTATION OF TALENT MANAGEMENT PRACTICES AT MALAYSIAN COMPANIES

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ABSTRACT

This research was carried out using method of interview among selected human resource practitioners of six Malaysian companies. This research explores talent management practices particularly on the implementation and the effect of the practices on employee engagement and retention. It was found that talent management is considered as the strategy of organization to retain employees. The strategy involves the human resource activities such as recruitment, selection, training and development and performance management. The engagement and retention talented employees needed in order for an organization to success and improve performance. In highly competitive market, having the right employees is the way to ensure organizational succeed. The impact of this research will create an opportunity to develop talent management strategy. It is expected that the identification and development of talent management strategy would result in additional benefits for the organization and its employees.

Key Words: *Talent management, employee engagement, employee retention, organizational performance*

1.0 INTRODUCTION

Most organizations have talent management system whether the existence is recognized or not. The “talent” in organization means that there are individual stars among employees (Pfeffer, 2001). According to (Laff, 2006), identifying star performers and mentoring promising employees are actually not new concepts in human resource development. In the past, fostering the right employee or “talent” was done subtly with little formal discussion among company leaders. Nowadays, the ability to attract and retain talent is rapidly becoming one of the key issues for human resource managers and their organizations across the globe (Hiltrop, 1999). “No wonder then, that so many surveys show effective

management of an organization's talent ranking as one of business leaders' most critical challenges" (Ingham et al, 2006, p.1).

The organizations that do recognize employees as their most important asset will have competitive edge in the chaotic world. Organization depends on a talented pool of people to transform its vision into reality. Superior should be recognized as the prime source of sustainable competitive advantage in high performance organizations (Ingham et al, 2006). This leads to talent management strategy which involves both employee and organization development. It is important that organizations take an action role in identifying and cultivating their own people who have capability and potential. As mentioned by McCauley and Wakefield (2006), organizations must change their human resources focus from one of administration towards one of developing business partner strategies in order to integrate organization development principles and practices into the mainstream. Those organizations that view talent management as strategic human resource and organizational development, integrated with the overall organization strategy, will find higher levels of success and sustainability for the future.

Thorough discussions needed in order to remain employees in organizations. The main objective that might be derived from this study is that human resource managers should better take into account what their employees value and how they evaluate their organization's efforts towards employees' engagement and retention, particularly by implementing talent management practices. This study is guided by the following research questions: What are the implementations of talent management practices in organization? How talent management influencing employee engagement and retention? And does practicing talent management gives any implications to organizational performance?

The impact of this research will create an opportunity to develop a talent management strategy and the further implementation of integrated human resource management systems to identify and nurture a talent pool. From the time employees are recruited, such a system would ensure that the organization acquires the right talent, which will be nurtured through periodic assessment and feedback, adequate retention strategies and opportunities for career advancement. This study is also significance as it is expected that the identification and development of talent management strategy would result in additional benefits for the organization and its employees.

2.0 TALENT MANAGEMENT

2.1 What is Talent Management?

Aston and Morton (2005, p.30) noted that there "isn't a single consistent or concise definition" of talent management. Since the arrival of the current era of "talent" is widely acknowledged, it is not surprising that renewed significance is being placed on the management of that talent. According to Ingham et al (2006), in order to develop strategic capability, potential employers of choice need to ensure they clarify the requirements for their talent management program including the success criteria to be used to measure their program's contribution. The applications needed to support these processes are defined differently by industry analysts and consultants, but the majority includes: recruitment, performance management, competency management, succession management, career development, and compensation.

Byham (2001), Chohanec and Newstrom (1991), Heinen and O'Neill (2004), Hilton (2000), Mercer (2005) and Olsen (2000) identified talent management as a collection of typical human resource department practices, functions, activities specialist areas such as recruiting, selection, development, and career and succession management. While according to Stuart Kotze and Dunn (2008), talent has two components that are ability (current performance) and capability (potential performance). Ability is about the now and capability is about the future. Both can be observed, tested and measured. Capability requires a bit more effort to observe, test and measure than ability, simply because it

involve progressive testing and measurement over time but it can also be dealt with effectively.

According to Lewis and Heckman (2006), there are key streams of thought around the concept of talent management. For the first key streams, they explained that those who merely substitute the label talent management for human resource management. Studies in this tradition often limit their focus to particular human resource practices such as recruitment, leadership development, succession planning and the like. A second strand of literature emphasizes the development of talent pools focusing on “projecting employee or staffing needs and managing the progression of employees through positions”. These approaches are often quite close to what is typically known as succession planning or human resource planning (Jackson and Schuler, 1990). While, the third stream focuses on the management of talented people. This literature argues that all roles within the organization should be filled with “A performers”, referred to as “top grading” and emphasizes the management of “C players”, or consistently poor performers, out of the organization. That is, highly competent performers are to be sought, hired, and differentially rewarded regardless of their specific role or, in some cases, the organization's specific needs (Lewis and Heckman, 2006).

In Powell and Lubitsh (2007), the research found that different perspectives of talent management were often present in varying degrees within the same organization. According to them, there are five perspectives that include process, cultural, developmental and human resource planning. For the process perspective, talented management should include all processes needed to optimized people within an organization. In cultural perspective, talent management is more of a mindset than a set of activities. When looking at the competitive perspectives, talent management is about identifying talented people, finding out what they want and giving it to them. If not, the competition will. Talent management is about accelerated development paths for the highest potential employees for the developmental perspective. The fifth perspectives that in identifying human resource planning, talent management is about having the right people matched to the right jobs at the right time and doing the right thing. The key principles of adaptability and reciprocity are essential in the preparation of a talent management strategy to enable close cultural fit with the organization (Clake and Winkler, 2006).

Talent is critical because it is the role of a strong human resource function to manage everyone to high performance (Buckingham and Vosburgh, 2001). From the viewpoint of Cunningham (2007), there are two main strategic choices available when considering talent management that are aligning people with roles and aligning roles with people. There are four main factors in relation to the aligning people with roles that are selection, recruitment, placement and promotion; learning and development; succession planning and career guidance. It is the assumption that there are agreed roles and the aim is to align people with roles. While, under heading of aligning roles with people, this strategic arena is based on taking the people as fixed and adjusting factors in the context of the organization.

Stuart Kotze and Dunn (2008) agreed that talent is not just about having the brainpower, the knowledge, the experience, the skill or the mental and physical characteristics to do something currently, it is also about to do something different or a higher order of difficulty and complexity in the future. One of the outstanding characteristics of human beings is their ability to adjust to changing circumstances.

By just looking at what people can do currently and projecting that on what they can supposedly do in the future, organizations fail to capitalized on the huge reservoir of potential that exist in everyone. Mentioned by Chambers et al (1998), a war once conducted as a sequence of set piece recruiting battles is transforming itself into an endless series of skirmishes as companies find their best people, and in particular their future senior executives, under constant attack. So what can organization do to attract and retain talented people? How can they protect themselves towards turnover (Hiltrop, 1999)?

3.0 EMPLOYEE ENGAGEMENT AND RETENTION

3.1 Employee Engagement

According to Macey and Schneider (2008), the notion of employee engagement is also a relatively new one, one that has been heavily marketed by human resource consulting firms that offer advice on how it can be created and leveraged. Academic researchers are now slowly joining the fray, and both parties are saddled with competing and inconsistent interpretations of the meaning of the construct. The result of research is to take into consideration on the employee performance management preferably in developing good human resource management strategy through implementing talent management practices.

Engagement at work as defined by Kahn (1990) is “harnessing organizational members’ selves to their work roles”. According to Maslach et al (2001), engagement is characterized by energy, involvement, and efficacy, the direct opposite of the three burnout dimensions of exhaustion, cynicism, and inefficacy. Employee engagement involves giving your workforce a sense of participation, freedom and trust. It differs from motivation and job involvement, and is something that is felt at three levels: the emotional, the cognitive and the physical. If an employee feels engaged on all of these levels, that is to say they feel they have meaningful relationships with peers and co-workers and are aware of their specific mission and role; they are more likely to produce good work and stay with the company.

Glen (2006), developed a holistic matrix of nine employee engagement predictors which take into account both obvious and less obvious sources of motivation or demotivation, but which, if managed in the right combinations, provide a powerful framework for managing employee motivation, team engagement, and key skills retention across most organizations, albeit that each organization may have very different profiles at different levels. These predictors include organizational process; role challenge; values; work-life balance; information; stake, leverage, reward, recognition; management; work environment; product and service.

Engaged people employ and express themselves physically, cognitively and emotionally as they perform their roles. The predictors by Glen (2006) are in relation with Kahn’s (1990) in terms of definition of engagement where employees feel obliged to bring themselves more deeply into their role performances. This is because, employee assume it as the repayment for the resources they receive from their organization. When the organization fails to provide these resources, individuals are more likely to withdraw and disengage themselves from their roles (Saks, 2006).

3.2 Employee Retention

Employee engagement as a key to the retention of talent is an area in which the lead has been taken by practitioners (Glen, 2006). By definition from Mathis and Jackson (2008), retention is the process in which employees are encouraged to remain with an organization. Retaining talented productive employees and eliminating poor performing employees is essential to the long run success of an organization. The loss of talented employees may be very detrimental to the company’s future success. It becomes imperative for organizations to put in place strategies to retain their workforce for performance. As a practical matter, with lower turnover, every individual who is retained means one less person to have to recruit, select and train (Mathis and Jackson, 2008). According to Peterson (2005) it is incredibly frustrating to go through a long hiring process, employee training, providing uniforms and other necessities, and then have the employee quit after two months. Then the company has to start over.

Milman and Ricci (2004) revealed that among the most powerful indicators to predict hourly employee retention in the lodging industry were positive experiences with the company’s policies and with the company’s human approach to employees. According to Gberville (2010), if an organization must relieve some of its employees of their appointment, it must be done in such a way as to clearly state the reasons behind it so that other employees in

the organization would not be discouraged. The extent to which retention factors lead to the desired result depends on their impact on what Maertz and Griffeth (2004) have called is “motivational forces”. Adequate rewards are motivating factors for employee retention and performance. Putting into consideration, the level of rewards that will motivate employees for retention and performance is vital for organizational survival and growth.

Moreover, Cho et al (2006) also investigated the relationship between the use of human management practices and organizational performance. It found that companies providing incentive plans to employees are more likely to experience lower turnover rates among non-managerial employees. The researchers theorize that a firm would further reduce its turnover rate if it applies reward systems in the form of incentive plans to more employees across the organization.

Employee retention is beneficial to both organization and the employee. Selective hiring procedures are necessary to ensure effective retention of the most qualified employees while lowering employee turnover in the long term (Huselid, 1995). While Sarvadi (2007) suggested that organization need to study after study confirms that people have a deep desire to feel they're succeeding and that their talents and capabilities are being used in a way that makes a difference to the business. When people sense their actions are fulfilling this desire, they begin to develop a sense of belonging. As a result, the organizations will not losing great talent and the potential leaders.

4.0 METHODOLOGY

This paper used the interviewing technique as an efficient, cost-effective, qualitative approach in identifying the understanding of respondents on the implementation of talent management practices in their organization. It is suitable research technique for relatively unexplored subject (Churchill, 1999). It was decided to use in-depth interviewing as the main method to collect data for the study since an interpretative approach was adopted for the investigation. The type of information that qualitative studies yield is rich in detail. Each unit of data collection for this study therefore gave many hundreds of bites of information.

In order to justice to these, sample sizes need to be kept to a reasonably small scale (Ritchie et al, 2003, p.83). Rubin and Rubin (1995) note four key areas around ‘recruitment’ initially finding a knowledgeable informant, getting a range of views, testing emerging themes with new interviewees and choosing interviewees to extend results. For the purpose of this research, I interviewed six managers’ particularly human resource managers and officers of human resource department. The profile of the respondents shows that their average duration of working as a human resource manager is ten years. Of the six respondents, only one female manager contributed to this study.

The purposive sampling as mentioned by Ritchie et al (2003) has two principal aims. The first is to ensure that all the key constitutes of relevance to the subject matter are covered. While the second is to ensure that within each of the key criteria, some diversity is included so that the impact of the characteristic concerned can be explored. Members of a sample for this study are chosen with a purpose to represent human resource department of some Malaysian companies’ business organization. According to Mathis and Jackson (2003), a human resources manager is responsible for managing and overseeing the personnel department within a company, organization or agency. Human resources managers are responsible for policies and practices that deal with recruitment and selection of employees, training and development, improvement of performance and productivity, pay and fringe benefits and creating good relationships between managers and employees.

Appointments were made for interviews after selected companies were contacted, inviting them to participate in the study by emails and telephones. Four interviews were done at the premise of the selected companies, one was held outside the premise and another one was only through telephone. All respondents chose to be interviewed during office hours. The interviews lasted for an average of fifty minutes. A recorder was used to facilitate the

interviews. Comprehensive notes of the answers were taken and transcribed into an interview report immediately after each session.

Mentioned by Paradise (2009), finding the right niche for each individual within the organization can be a tricky exercise although recognizing the talent within an individualist typically an easy task. Buckingham and Vosburgh (2001) also stressed that talent is critical because it is the role of a strong human resource function to manage everyone to high performance. Using this as a foundation of understanding the scenario of talent management in organization, I further developed and checked the suitability of those insights by looking for interviewees responses. This research then proposed that human resource managers should better take into account what their employees value and how they evaluate their organization's efforts towards employees' engagement and retention, particularly by implementing talent management practices. The interview reports intensively studied to identify common and differences categories of meaning expressed by the respondents to be discussed and resolved. Constant comparative data was also conducted in order to generate themes related to the study on talent management. Current literature as recommended by Strauss and Corbin (1990), served as background material for this research.

5.0 RESULTS AND DISCUSSION

There are four phases of analysis elaborated in this study. First, the results and discussion begin with a study on the understanding of talent management which defined by human resource practitioners. Then, the discussion continues by identifying implementation of talent management practices. The themes derived from the concept by Hilton (2000), Byham (2001), Heinen and O'Neill (2004), Mercer (2005) and Olsen (2000), which talent management was identified through typical human resource department practices, functions and activities. The next theme exposed the influence of talent management on employee engagement and retention as suggested by Glen (2006). It is important for organizations in identifying, cultivating and maintaining employees who have capability and potential in harnessing better organizational performance. The final part of analysis show the evidence related to the impact of talent management practices on the performance of organizations.

5.1 Talent Management in Organization

The concept of talent management has different meaning to different people (Uren, 2007). This argument was also mentioned by two of the interviewed human resource managers. The respondents said:

...Different companies may not define talent the same way. What I can say, as broadly defined, talent management is the implementation of integrated strategies or systems designed to increase workplace productivity... (R3)

and

... The talent management is the strategy for the drives the specific events that people experience in the workplace. The term talent management means different things to different people. To some it is about the management of high-worth individuals or the talented, which to others it is about how talent is managed generally.... (R6).

Even though they said that people may define it differently, but there are similarities between their understandings of talent management. Both of them agreed that talent management is strategies implemented in workplace. The data undeniably show that there was another one respondent who had the same idea:

... What I understand about talent management is the strategy... Strategy that drives the specific events that employee experience at their workplace... (R5).

Such example seems related to Boudreau (2005) that it has been claimed talent management to be “more critical than ever to organizational strategic success”. According to Ashton and Morton (2005), talent management is what human resource practitioners and managers to get involved in as it has become a strategic imperative. They argued that good talent management is of strategic importance and can differentiate an organization when it becomes a core competence and when its talent significantly improves strategy execution and operational excellence.

Instead of that, it was found that four respondents understand the term of talent management as ‘management of talented employees’. As mentioned by Jackson and Schuler (1990) “talent management as architecture” analogy best describes the vision of early proponents of managing talent. Thus, based on this idea, human resource managers identified talent management as the strategies of managing talented employees. So what might this mean for talent management? Potential employers of choice need to ensure they clarify the requirements of their talent management program which includes the success criteria to be used to measure their program’s contribution to develop strategic capability (Ingham, 2006). Here are some of the explanations given by four respondents:

...Talent management refers to the process of developing and integrating new workers, developing and retaining current workers, and attracting highly skilled workers to work for a company... (R1),

...In a company, usually the learning processes are through training, workshops, seminars, team building and many more... (R2),

...Talent management involves in the process of recruitment and selection, performance management and coaching, employee development and training... (R4)

and

...What I know the talent management involves corporate identity, recruitment and selection, performance management and coaching, employee development and training... (R6).

Based on Cunningham (2007), there are four main factors in relation to the aligning people with roles that are selection, recruitment, placement and promotion; learning and development; succession planning and career guidance. In fact, in this research, all respondents explained that talent management would anticipate human resource activities such as recruitment and selection, coaching, training and development, as well as performance management. This is in line with the explanation by Byham (2001), Chowanec and Newstrom (1991), Heinen and O'Neill (2004), Hilton (2000), Mercer (2005) and Olsen (2000) that talent management involves a collection of typical human resource department practices, functions and activities.

5.2 The Implementation of Talent Management Practices

Realizing strategic vision through human resource shall begin at assessment of talent needs of business. The interviews also asked the respondents to describe why their organization implementing talent management. This is in relation to Romans & Lardner (2005, p.1), indicates that “human resource systems are part of the greater enterprise; they exist to help achieve the purpose of the business. Each phase of the pipeline model must support every other phase. The whole pipeline must be tightly aligned with business goals and fully integrated into business operations”. It was striking that most interviewees spontaneously indicated that implementing talent management practices are beneficial to organization. As three of the respondents mentioned:

... For the goodness of the organization! When we train our employees to have good skills, then Insha'Allah they will give tip top performance for the company. Every business organization needs skillful and talented employees. Only having such employees can generate better income for the company... (R2),

... Developing talent that is exceptional, underutilized or latent is important to business outcomes. What I can say, untapped talent is a wasted asset... (R4)

and

... Thus, these organizations that view talent management as strategic human resource and organizational development, integrated with the overall organization strategy, will find higher levels of success and sustain, for the future... (R6).

Clake and Winkler (2006) mentioned that managing talent is not just about identifying future leaders or developing senior employees, there are also key operational and technical roles that need to be considered if organizations are to succeed. In this research, the same goes to an interview by Yeung (2006) with Mark DeCocinis, General manager of the Portman Ritz-Carlton and regional vice president, Asia-Pacific, of the Ritz-Carlton Hotel Company. According to DeCocinis (Yeung, 2006, p. 268), the secret of success in the service business is that "services come only from people." Another relevant quote of interviewee includes:

... I would like to stress that talent management assumes that capability is based on an organization's sole source of value and competitive advantage in a developed economy.... that is its people... (R3).

Therefore, what really matters in making companies strong and competitive is developing people. The most successful business owners or managers are exemplary at developing and leading their people. People are an expensive, critical resource in any organization, and can be a powerful source of sustained advantage. Most of businesses today are running around with their pants on fire. Whether they are not talented at managing their time and energy or have never learned to manage their time and energy. The worst is when they find themselves reacting to things that happen day-to-day instead of proactively managing their activities.

Boudreau and Ramstad (2005) noted that metrics with influence in business are those that apply to decisions wherever they are made, not just to the function where they are developed. It is not just about putting the right people in the right place at the right time but embodies any effort designed to ensure the continued effective performance of an organization or department by focusing on the development, replacement and strategic application of key people over time (Rothwell, 2000). This is because talent management is not a human resource initiative but is integrated within organizational strategy. It provides the framework for driving the strategy throughout the company. Referring to one of the respondents' statement:

... It should be most beneficial for companies where the most productive employees can pick and choose the projects and assignments that are most ideal for the specific employee... (R1).

Some interviewees viewed the implementation of talent management not only beneficial to employers yet the employees also gain the advantages. Examples include employees' productivity enhancement, career development and leadership improvement. A respondent stressed that:

... I mean the employer and employee have good advantages and opportunities here. The employees obtain their career development while we as employer have talented employees... (R2).

In relation to the first respondent, other persons reported:

... By HR explaining to management and employees why talent management is important, how it works and what the benefits are to the organization and

participants, talent management strategies are more likely to be seen as a fair process... (R3)

and

... We help them to be good then they are most probably will help us to be good too. One more, if we help them in their career development, they feel secure with us and never try to search for another job offer. They have everything here... (R5).

Other respondents also emphasized their points:

... Actually, employee performance within a specific job has always been a standard evaluation measurement tool of the profitability of an employee. So, talent management seeks to focus on an employee's potential, meaning an employee's future performance, if given the proper development of skills and increased responsibility. The point of activating a talent marketplace is to harness and link individuals' particular skills with the task at hand... (R1)

and

... Improves employee commitment and therefore retention. Then, meets the career development requirements of existing employees, improves support to employees throughout their employment... (R6).

Careful planning, culminating in a sound talent strategy that is tightly connected to the organization's overall business strategies and business needs, is required for talent management to become ingrained in an organization's culture and practices. Organizations must be careful not to rush into implementing initiatives or programs that are more about taking action than about implementing a well-crafted solution (Wellins et al, 2010). How the organizations manage the talents were said as:

... We are implementing performance management, leadership development, and workforce planning and identifying talent gaps and recruiting process... (R1),

... We try to put a lot of consideration on our employee career development. Yes, every business organization must have training and development program. But for our company, we realize that talent management should concern at the beginning which is recruitment and selection. Then, we can look at their performance development, corporate identity, compensation and rewards as well as employees career development ... (R2)

and

... Talent management is about employee performance development. For sure our company will focus on training and development. Send them for workshop and seminars. Then, we implement performance appraisal, giving points and bonus for the good performance..... (R5).

Furthermore, the findings revealed that the opinions given by those respondents are related to Leong (2010). Leong said it is something that everyone sees as important to organizations that have strong talent management programs have a culture of talent management running through their veins, has become an integral part of the organizations' work ethos. It is part of the performance management system and it is something that everyone does as part of their day-to-day process. Such programs are also been developed by a respondent's organization:

... To support our talent acquisition, we may need to design talent selection systems and talent assessment processes customized to our needs, using a variety of assessment tools...

and

... First important thing is identify high performance individuals who display characteristics favored by the organization. Use this pool of talent to help transition new employees into the organization. Then, I would like to suggest assessing every employee's competency profile. This would include establishing if there are any competency deficiencies that are responsible for the gaps that exist between the actual and desired current performance, as well as gaps between current competencies and possible future performance needs... (R3).

As mentioned by Millar (2007), integrated, scalable human resource applications and processes can promote a consistent culture, plan and strategy without compromising local nuance and effectiveness. These systems can help organizations to engage employees directly and make them responsible for their actions, which can have a direct impact on the success of the organization.

5.3 The Influence of Talent Management on Employee Engagement and Retention

Talent management is important for an organization as globalization and competition have increased the need to retain good performers in their field of operation. It is not as simple as it sounds. It is vital for the human resource department to hire the right employee for a proper role in the organization or else increased attrition will contribute to the loss of business. Why top talents leave their organizations? Employee retention is not manufactured, it is a natural event. If there are so many people who left, everyone can assure there's something with that organization. If people who come in are as much as those that go out, the employer has to sit and scrutinize the reasons behind it.

This study shows that the main reason why organizations failed to retain their employees is because employees are lack of job satisfaction. Few organizations have not made job satisfaction a top priority, perhaps because they have failed to understand the significant opportunity that lies in front of them. Respondents have these to say:

... Usually a good organization won't let their top talent go away. People won't if they have problems... such as job dissatisfaction... (R1),

... Probably most of top talents would not stay because of dissatisfaction of their job list... (R5)

and

... Maybe dissatisfaction! Dissatisfy with the management, salaries or having conflict in organization.... (R6).

As noted by Wright and Cropanzano (2000, p. 85), "this suggests that job satisfaction is based partially on what one feels and partially on what one thinks." Job satisfaction is something that working people seek and a key element of employee retention. Every person will have his or her own definition of what it means to be satisfied with a job. Studies show that employees who are satisfied with their jobs are more productive, creative and be more likely to be retained by the company (Eskildsen and Nüssler, 2000).

Instead of that, according to the majority of the respondents, it is found that incentive pay may give the employee the incentive to stay in the organization. Outstanding employees may leave an organization because they become underpaid. The respondents that stressed the incentive pay elaborated:

... If someone feels they are not being rewarded they very often look to move somewhere else that they can receive a higher increment and benefits... (R4)

and

... The most common reason employees leave an organization is salary or compensation. Most employees who have been in the same organization for a while expect to be compensated for their hard work and experience. This compensation can come in the form of salary increase, bonus, or even stock options. If someone feels they are not being rewarded or even considered for an increase they very often look to move somewhere else that they can receive a higher salary... (R3).

This situation reminds me to the old adage “you get what you pay for”. Salary is not a motivator for employees, but they do want to be paid fairly. Human capital is the most valuable asset if any organization. By investing the time to create a comprehensive appraisal process that is in alignment with good compensation and reward plan will ensure that organization keep to the best employees.

According to Woodruffe (2006), people are more conscious of the need to maximize their employability in today’s employment market, where the notion of cradle-to-grave secure employment is in most cases a distant memory. People like to feel that their employers are genuinely committed to them and to their careers. A respondent reported his opinion:

... employees who have been constantly producing good results or achieving targets, yet feel that there are no career opportunities for advancement, will start to look around for other jobs... (R3).

In relation to this issue, the employees also may plan to shift to another job which more secured. With the same line of opinion, another respondent quoted:

... I think this is because the employers do not care about their important talents... If they feel unsecure in the company, they will find other place.... (R2).

The organizations very rarely ask the employees questions that lead toward understanding employee engagement and retention. So, why is retention so important? Actually, employee engagement and retention can be assigned a dollar figure. There are hidden costs that often get figured into equation. Some relevant quotes of interviewees include:

... Losing talented employees is very expensive: recruiting, inducting, training and developing new staff is a major investment (R4).

and

... When done strategically and executed effectively investments in employee development can pay huge dividends that will take our organization to the next level.... So, retaining top employee is very important... (R6).

Successful organizations make employee retention a core element of their talent management and organizational development strategy. Those that fail to make employee retention a priority are at risk of losing their top talented people to the competition. So how can companies retain workers, and thereby increase productivity and save substantial sums of money? Human resource professionals should ask which programs or policies they use currently to help retain employees. As one of my respondents mentioned:

... We must make sure our employee stay and loyal to us. If they feel unsecure in the company, they will find other place. So, human resource department should concern on employee needs before we lost them... (R2).

According to Gandz (2006), the more an organization embraces talent, the greater the possibility that competitors will “raid the talent pool”. The challenge therefore is for the industry to recognize the wider benefits of enhancing talent performance via development and investment in careers. Thus, ensuring appropriately skilled and motivated work forces are more likely to be retained (Ingram, 1999). One responding manager even spontaneously connected this argument:

... The manager should have an understanding of the employee's personal goals and aspirations, and help them towards achieving them, either through training, coaching or providing them with on-hands experience on projects and task... (R3)

In a similar vein, another commented that:

... What I can say here, if you are to retain key talent, old and young, you must have attractive economic incentives. The employer needs to nurture a culture that accepts the value of all employees and provide an environment where all employees are encouraged to contribute to the maximum of their abilities

...Talent should be harnessed, not taken for granted, and the talent within the organization should never be ignored.... (R4).

5.4 The Implication of Talent Management Practices on Organizational Performance

All businesses need a wide variety of people with the most potential to deliver new sources of competitive advantage. In order to create and sustain a culture of excellence, having a comprehensive talent management system is the key. Chambers (1998, p.48) wrote that organizations need to “elevate talent management to a burning corporate priority”. Talent management needs to be seen as essential for achieving the organization’s goals if it is going to get the attention and resources it requires. Associated with the importance of talent management in developing organizational performance, some respondents emphasized their points:

.... A good organization needs productive employees. We can’t let go those talents. That is why we implement talent management. It is very important for our productivity... (R1),

... Good employees and good talents are for managing and bringing success to our organization... (R2),

... Growing and developing talent is essential to an organization’s success. By identifying what your organization needs to do to perform effectively, and then developing the skills and behaviors of your people to support this performance, you will be well placed to achieve your goals... (R3)

and

... Talent is a strategic resource for achieving business success and requires a refocus on the people agenda... (R4)

Quite similar from these ideas, as previously suggested organizations will need to develop formalized and effective policies and practices across all of the primary human resource areas. In order to effectively recruit and retain scarce labor, organizations need to create and perpetually refine employee value proposition organizations that are able to successfully recruit and retain valued employees (Ashton and Morton, 2005). As one of respondents mentioned:

... If we do not understand the unique training and development needs of our team members we simply are not getting the greatest return on our training dollars possible.

When done strategically and executed effectively investments in employee development can pay huge dividends that will take our organization to the next level... (R6).

An organization that does no planning, and thus does not manage its talent, basically waits for a need to develop or current employees to leave and then begins the search for a new solution. If organizations are truly going to win the war for talent and, in particular, to keep finding, nurturing and developing “extraordinary” people, they must develop a capacity to

develop new approaches to talent management (Powell and Lubitsh, 2007). This perspective flourishes in industries where the most valuable corporate assets are people-based and where intellectual property is everything. For instance, interviewees said:

... Talent management requires strong executive support actually, along with systems and processes all directed towards having the right talent doing the right work at the right time. That's when talent truly drives higher business performance... (R3),

... Talented people help generate innovative ideas and fresh perspectives that are critical to competitive advantage and business success. The key measure of an effective management system is having the talent it needs to execute its business strategy. .. (R4)

and

... We don't want to lose such a big investment by eliminating the right talent and recruiting the wrong talent... (R6)

Talent has become the key differentiator for human capital management and for leveraging competitive advantage. Grounded within strategic human resource management, the talent management seems to be one of the key functions that human resource manager is playing strategically in organizations (Bhatnagar, 2004). As all respondents agreed that talent management is important especially in enhancing the organization performance, this strategy has mapped out competencies relevant which it needs to harness and develop based on talent recruitment and creation. So, it is true when (Erickson and Gratton, 2007, p. 1) mentioned "Companies with highly engaged employees articulate their values and attributes through "signature experiences"; visible, distinctive elements of the work environment that send powerful messages about the organization's aspirations and about the skills, stamina, and commitment employees will need in order to succeed in these organizations".

6.0 CONCLUSION AND RECOMMENDATION

Recent data just show that all organizations need to boost up the implementation of talent management practices. Organizations that view talent management as strategic human resource will find higher levels of success and sustain for the future. People are an expensive, critical resource in any organization, and can be a powerful source of sustained advantage. Talent management is the strategy of having such valuable people. Talent management is what human resource practitioners and managers to get involved in as it has become a strategic imperative. This finding also show that talent management if given the proper development of skills and increased responsibility seeks to focus on an employee's potential, meaning an employee's future performance.

Furthermore, the respondents viewed talent management is not only as a human resource initiative and strategy but is integrated within organizational development. Talent management strategies are more likely to be seen as a fair process if human resource practitioners need to explain to management and employees why talent management is important, what the benefits are to the organization and participants, and how it works? There are also key operational and technical roles that need to be considered if organizations are to succeed. In relation with this, talent management embodies any effort designed to ensure the continued effective performance of an organization or department by focusing on the development, replacement and strategic application of key people over time. The results show that talent management would anticipate human resource activities such as recruitment and selection, coaching, training and development, as well as performance management. Through these activities, careful planning to the organization's overall business strategies needs is required for talent management to become ingrained in an organization's culture and practices.

Drawing on a literature review and in depth interview, I identified the most important property in today's organization is not physical property but intellectual property. The results also tell that untapped talent is a wasted asset because developing talent that is exceptional, underutilized or latent is important to business outcomes. The organization needs to build engagement among its talents to let them stay around to realize their full potential. It is incredibly frustrating to have the quit employees to be back. The company has to start over and go through a long hiring process, employee training, providing uniforms and other necessities for new employment. In order to retain them, this study also suggests talent should be harnessed through recognizing the wider benefits of enhancing talent performance via development and investment in careers. Nurturing and developing potential people let the organization win the war for talent.

Given the research findings, developing talent is essential to an organization's success. Organization depends on a talented pool to accomplish the organizational sustainability for the future. Therefore, it is important for human resource practitioners in addressing the talent imperatives aligned with the business strategy and to take a strategic approach to meeting these imperatives either in short or long term. Occasionally, this study should provide the identification of talent management strategy and benefits for the organization in nurturing the right people at the right time.

Resources such as organized steps of managing talent management practices are needed to help human resource managers in implementing the strategy. The current study has some limitations in providing the practical action to bring the successful of talent management practices. Further studies are suggested to address how the human resource practitioners create the strategy and adapting the action in such a way that implementing the practices.

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