



Talent Management Practices In Information Technology Sector

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Article History	Abstract
Received: 18/10/2023 Accepted: 10/11/2023 Published: 28/11/2023	<i>Talent management refers to a strategic human resources approach that emphasizes hiring the most talented workers available that fit the culture, needs and goals of an organization. A company that has a talent management program typically views HR as a major factor in the success of the company. The Information Technology Industry in Chennai depend upon the knowledge-oriented work force. Therefore, Talent is a pre requisite for the success of the Company. The Information Technology industry need talented pool of engineers who can deliver better results and contribute towards the organizational objectives. Understanding the complexity of today's times complemented by the embracing of start- up revolution, the following research study sought to explore and investigate the relationships of talent management practices with employee engagement.</i>
CC License CC-BY-NC-SA 4.0	Keywords : Talent Management Practices, Employees, Management, Organizations and Perception

Introduction

Talent Management, as the name itself suggests is managing the ability, competency and power of employees within an organization. The concept is not restricted to recruiting the right candidate at the right time but it extends to exploring the hidden and unusual qualities of employees and developing and nurturing them to get the desired results. Every organization requires the best talent to survive and remain ahead in competitive. Talent is the most important factor that drives an organization and takes it to a higher level, and therefore, can't be compromised at all. It won't be exaggerating saying talent management as a neverending war for talent. Globalization, the process by which economies, societies, and cultures are fast integrating through a globe-spanning network of communication and trade, drives both collaboration and competition. However, within many companies the concept of human capital management has just begun to develop. In fact, only five percent of organizations say they have a clear talent management strategy and operational programs in place today. To develop a clear talent management strategy and to increase awareness of available talent and successors, all organizations should conduct regular Talent Review Meetings to be prepared for a variety of business changes, such as mergers, company growth, or a decrease in talent needs. Thus, talent management has become one of the most pressing topics today in organizations to gain competitive advantage.

There are very minimal studies in research which explores the association and no association between Talent Management and Engagement. The studies conducted by Forman (2005) and Romans and Lardner (2005)

focused on talent management practices and associated practices; whereas Bhatnagar (2007) investigated employee engagement and tried to give a link between engagement and talent retention. Studies have been conducted by practitioners and various consultancies like Gallup Consultancy, Hewitt Associates, and Institute of Employment Studies (IES) in the field of employee engagement with emphasis on organizational performance, business outcomes but none of them have examined the relationship on talent management practices with engagement.

The IT Industry in India

The IT/BPO sector has turned out an assorted and a swiftly expanding offshore market with an ambitious yearly expansion rate of 60 percentage (Tapper, 2004). Unmatched blend of low costs, in-depth methodological and language expertise, mature retailers and right government guidelines have ascended India as one of the premier off shoring hub across the world (A.T. Kerney, 2007). India undoubtedly commands supremacy in terms of its competitive advantage to other countries in their back-end work. Approximately 100,000 engineering graduates churned out every year are deployed in technical support work in these BPO. As per, a study by Budhwar et al. (2006) with Indian sub-continent projected revenues of \$348 billion till 2020, the IT sector mandates straight hiring of above 5.7 million people. India does have a wide reservoir of “talent pool”, but they lack the requisite industry skills because of which their talents are scarce. This has led to amplified stage of poaching and employee turnover cases. The attrition figure is highest in IT sector at (31 percent) followed by telecom, banking and financial services, aviation and hospitality real state and FMCG. The attrition rate in this sector at present, hovers around 30-35 percent.

Statement of the problem

Talent management involves positioning the right people in the right jobs at right time for competitive advantage. Many organizations fail to organize the activities that enhance their talent pipelines, equip individuals with critical knowledge and skills, and deny employee an opportunity to enhance teamwork or be engaged to their jobs. As per NASSCOM 2020 only 30% of total output from the institutes is having minimum eligibility for Information Technology sector. Thus, organisations are striving to identify talented employees and organizing activities to retain them. In this context this research focuses Inputs and output of the Talent management and the contribution of Talent management Practices and their influence on selected outcomes.

Need for the Study

In today’s global business environment, talent management becomes one of the important sources of competitive advantage that creates value for all companies. Hence, leaders in present organizations working very hard to attract, hire, develop and retain talent. Because they believe that employees are the only assets that innovate in any organization and innovation is the only path to sustain performance, therefore, managing talent will give some advantage to their company. Talent Management practices must be continuously reviewed, so that the company can capitalize on its talented employees, find the best fit, and expand into new markets. Thus, management should understand factors influencing talent management in the organisation, so as to review them time to time. In this context this research focuses Inputs and output of the Talent management and the contribution of Talent management Practices and their influence on selected outcomes.

Objectives of the study

- To identify the factors affecting Talent management practices in IT industry.
- To examine the relationship of Talent management practices with employee engagement.
- To put forward suggestions with a view to enhance Talent management practices in IT industry

Review of Literature

Gandhi Shraddha R. (2014) emphasized that in today’s information economy, people’s knowledge, skills, and relationships are an Organization’s biggest asset and main source of competitive advantage. People related costs have risen to more than two thirds of organizational spending. Increasingly, talent attraction and retention is viewed as a significant driver of shareholder value and bottom line results.

Narasima Venkatesh.A and Geetha R (2015) concluded that Undoubtedly still ‘war for talent’ is dominating the headlines as organizations are desperately competing for the right talent as most of the CEOs and HR directors are spending a notable time attracting and retaining the talent. Consequently, appropriate employer branding strategies should be formulated to offer a distinctive promise so as to attract potential candidates

and retain existing employees. An evaluation should be made to check whether there exists alignment between the brand messages related to customer brand and employer brand. Sufficient measures may be taken to invest efficiently towards integrated media strategies which can attract right talent at right time with right employer brand message.

Susana Almeida Lopes (2016) stated that the Law firms face challenges related to globalization and client pressures for increased quality at lower rates. The up-or-out career model, which leads a minority of lawyers to partnerships, is supported by the superhero myth related to high performance in a broad scope of competencies and abilities. We discredit this model. Innovative high performers are more technically inclined, while other lawyers, to their credit, are grinders and team players who are more willing to adapt their approaches.

Singh et al., (2017) focused mainly that in Information Technology organizations various strategies like meditation, participation in programs for reducing stress among employees would be adopted. However, the identifying hidden talent of employees is not implementing properly by the managers. So, talent management along with other strategies should be approved in an organization. Through the study it is observed that, maximum number of employees in IT organizations have occupational stress. The study stated that the facts related to occupational stress among IT employees are pertaining to the family problems, insecurity of job, low monetary compensation, ill health etc. They have concluded that maximum number of respondents are facing physical and mental problems like high blood pressure, exhaustion, monotonous work, body pain, back pain, depression and sleep disturbances.

RESEARCH METHODOLOGY

Sample

The data reported in this paper is to analyze talent management practices in IT industry. Research adopted the survey approach to collect primary data. As population mean is not known, researcher has used population proportion method to measure and define sample size. The level of confidence and the permissible tolerance error undertaken by the investigator were 95% and at 0.05 as population were unidentified. Taking the following aspects into consideration, the needed sample size was 385, and the actual numbers of respondents were 393, were comfortably superior to the threshold. A well thought out non-disguised questionnaire was developed to seek the data needed for the said research study.

The measuring instruments was passed to the sample of 393 respondents who are working in IT industry for more than 1 year.

The said research study utilized convenience non-probability sampling coupled with exploratory and descriptive design of research. To accomplish the primary aims of the study, factor analysis and multiple regression tests were undertaken.

The Analysis Instruments

All the research instruments utilized in the present study of research are either borrowed or personalized from the previous research studies undertaken in the areas of talent management and engagement. The questionnaire in line with the study was basically bifurcated into two heads. The first head constituted mainly on the elementary information like the demographic details of the respondents, while the second head sought information on the specific dimensions of talent management practices and employee engagement. Pilot testing was executed with an objective to find the reliability of the scale. It was followed by certain minor changes. The responses sought from the respondents were primarily on a 5 point Likert scale ranging from “strongly agree” (5) and “strongly disagree” (1).

DATA ANALYSIS

Descriptive Analysis

The considerable chunk of the respondents were male (n = 308, 78.4%) with only 21.6 percent as female respondents (n = 85). In present study salaried employees working in IT industry are only considered for further study.

Reliability Analysis

A questionnaire consists of 29 assorted statements on a 5-point scale. For gauging the content strength, a pretest with 36 respondents was undertaken, which were not counted in the sampling frame. The respondents were requested to critically assess all the facets of the questionnaire which included the phrasing of the specific items, structure and sequencing. The generated suggestions were then incorporated before the final usage.

Table I—consistency figures

N of items	Cronbach's Alpha
36	0.905

Before, delving in deep to examine the factors that explained talent management, the soundness of the scale was gauged by examining its dependability. For the said purpose reliability analysis was undertaken and the said parameter which defined the consistency, the alpha (α) coefficient was calculated. It was found to be 0.905 (more than threshold limit).

Factor Analysis

The major objective behind which the test of factor analysis is administered is data diminution and summarization (Boyd et al., 1989). It could be said that the objective is to bring down a sufficiently higher number of experiential five variables into to a lesser set of underlying factors that would be able to represent the crucial character of the primary variables to the extent possible. The said research work sought primarily to extract the underlying dimensions or constructs that aptly explained talent management practices.

Table 2- KMO, Bartlett's check of Sphericity and Sig level

Factors	Sig Level
Kaiser-Meyer-Olkin Measure of Sampling Sufficiency	0.846
Bartlett's check of Sphericity Approximate. Chi sq	0.2321
Significance	0.001

The data secured through the survey was examined with the statistical measure of factor analysis in line with the objectives of the research work. The method of Principal Component Analysis was undertaken in specific. The measure of sampling adequacy i.e. KMO was 0.846 which could be termed as satisfactory (Kaiser, 1970). Following ahead the Bartlett's test of sphericity produced a significance level of (0.000) which indicated a respectable degree of association among the variables (Hair et al., 1998). The technique of Principal Component Analysis and Varimax method helped to extract key factors from the set of twenty nine variables; with a qualifying criterion eigen numbers higher than 1.

Table-3:One Sample t-test for Talent Management Practices influence on Job satisfaction

	t-Vlaue	Sig. (2-tailed)	MeanDifference
Talent AcquisitionPlanning& Strategy	8.419	0.001	0.940
Workforce Segmentation	2.689	1.008	0.336
EmploymentBranding	8.218	0.001	0.888
Candidate Audiences	2.068	0.040	0.256
CandidateRelationshipManagement	3.507	0.001	0.428
Metrics& Analytics	23.469	0.001	1.616
CarrierPlanning	27.219	0.001	1.656
Training&Development	62.433	0.001	1.820
PerformanceAppraisal	58.910	0.001	1.852
Promotion	61.434	0.001	1.856
QualityCircles	5.629	0.001	0.672
Compensation	10.076	0.001	1.048
Safety&WelfareInitiatives	5.309	0.001	0.632
Motivation	9.925	0.001	1.060
Communication	22.067	0.001	1.584
ParticipativeApproach	25.796	0.001	1.640

One sample t-test runs with help of SPSS. The mean of the Talent Management Practices compared with the test value three. Test was found the difference between mean of Practices contribution to Job satisfaction in Sun KPO and Test value three was statically significant (Talent Acquisition Planning & Strategy $t=8.419$, $p<0.5$, Workforce Segmentation $t=2.689$, $p<0.5$, Employment Branding $t=8.218$, $p<0.5$, Candidate Audiences $t=2.068$, $p<0.5$, Candidate Relationship Management $t=3.507$, $p<0.5$, Metrics & Analytics $t=23.469$, $p<0.5$, Carrier Planning $t=27.219$, $p<0.5$, Training & Development $t=62.433$, $p<0.5$, Performance Appraisal $t=58.910$, $p<0.5$, Promotion $t=61.434$, $p<0.5$, Quality Circles $t=5.629$, $p<0.5$, Compensation $t=10.076$, $p<0.5$, Safety & Welfare Initiatives $t=5.309$, $p<0.5$, Motivation $t=9.925$, $p<0.5$, Communication $t=22.067$, $p<0.5$,

Participative Approach $t=25.796$, $p<0.5$). Null hypothesis was rejected; the result was concluded as practices are contributing for the Job satisfaction in IT industry.

DISCUSSION

Assembled data were examined with the assistance of SPSS software package. Factor analysis was first used to talent management construct to assess uni-dimensionality (Conway and Huffcutt, 2003). After that multiple regressions test were carried to test the associations. Factor analysis test depicted that 29 items were clustered into three factors. Further, it was found that only Organizational and Departmental Communication factor was significant in explaining talent management. Employees looked forward to crystal clear and inclusive communication from top

management and as to how their contribution could suffice with the larger organizational objective and leadership vision. It came as no surprise that poor communication came out as impediment to employee engagement and led to disengagement. Engagement is impacted by internal communication. It leads to employee involvement with the objectives of the enterprise. Internal Corporate Communication includes organizational activities intended to encourage worker acceptance of its developing aims (Welch and Jackson, 2007).

The findings of the study can help IT managers to gain useful insights regarding the relative contribution of each of the specific talent management aspects to employee engagement. The study is of value as it would assist organizations to improve their talent management practices with a view to enhance the engagement of its employees.

The study in its best of efforts has tried to bring forth to light the significant drivers of talent management and engagement. The study would provide insight to the organization and HR practitioners to take engagement from a piece meal approach, since the current workforce employed in IT industry is in stark contrast to their predecessors in terms of personality, working styles and motivational needs. It is advisable that organizations should keep a tab on organizational and departmental communication by way of unconventional media like digital blogs and posts. The current generations have an instinctual urge of being a part of the success story of the organization. They are driven by the WISTFM ("What's in store for me") fundamental. So it is advisable that overemphasis on rules and regulations be avoided. The importance of communication could also be brought home to them by way of workshops utilizing contemporary training modules on drama, theatre and neuro linguistic programming etc.

Conclusion

The organizations to create ecosystem where the current workforce can see themselves developed. Innovative opportunities for development like stretch assignments, high potential program, and power packed coaching, blended training could be the right pack to pick and the performance evaluation and management is concerned, current generations addiction to digital gadgets and the other allied means of networking have made them accustomed to continuous and

regular feedback. Organizations therefore should realize and abandon the one time ritual of performance evaluation by way of bell shaped review measure to more frequent and constructive mechanism.

Employee engagement is found to have positive tangible and intangible outcomes like customer engagement, successful organizational change, and employee advocacy. The future research could also explore the moderating or mediating role of employee engagement on the said factors.

The research studies conducted seeks to offer information on the appreciable and appalling practice in the specific research area. Talent management, as a strategic intervention is not a one step exercise. From the study it is found that though the organisations may differ but the few talent management practices are highly impacting on select output.

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