



A Study On Relationship Between Talent Management And Organizational Performance

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Abstract: Organizations all over the world have realized that the success of their businesses largely depend upon the talents of people. Talent management solutions are becoming more and more vital to the growth and profitability of today's organization. Why? Because companies invest a tremendous amount of money in their employees. The expenses associated with soliciting, acquiring, training, promoting, and retaining staff members can take up a huge portion of any corporate budget. But, as the workforce continues to be viewed as an increasingly strategic asset, these costs are all considered to be money well spent. It is also needed for the both to improve company performance and also to boost employees' well-being. As organization continue to pursue high performance and improved results through Talent Management practices. The performance of every organization depends on the performance of their employees. The purpose of the study is to find out to find out the relationship between Talent Management and organizational performance. The objectives were achieved through a descriptive study.

Keywords: Talent Management, Talent Management Practices, Organizational Performance

A study on Relationship between Talent Management and Organizational Performance

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I Introduction

1.1 Talent Management

Human beings are social beings and hardly ever live and work in isolation. We always plan, develop and manage our relations both consciously and unconsciously. The relations are the outcome of our actions and depend to a great extent upon our ability to manage our actions. From childhood each and every individual acquire knowledge and experience on understanding others and how to behave in each and every situation in life. Later we carry forward this learning and understanding in carrying and managing relations at our workplace. The whole context of Human Resource Management revolves around this core matter of managing relations at work place.

Talent management refers to the skills of attracting highly skilled workers, of integrating new workers, and developing and retaining current workers to meet current and future business objectives. Talent management in this context does not refer to the management of entertainers. Companies engaging in a talent management strategy shift the responsibility of employees from the human resources department to all managers throughout the organization. The process of attracting and retaining profitable employees, as it is increasingly more competitive between firms and of strategic importance, has come to be known as "the war for talent." Talent management is also known as HCM (Human Capital Management).

The term "talent management" means different things to different organizations. To some it is about the management of high-worth individuals or "the talented" whilst to others it is about how talent is managed generally - i.e. on the assumption that all people have talent which should be identified and liberated.

It's important to note that organization associate the term talent or talent management only to key performing individuals. However, it is essential to remember that each one of us has some talent potential and hence it should not be restricted to the very few. Nevertheless, it is highly likely that more attention is going to be paid to employees with high potential or exceptional skills. Several talent management processes need to be in place on a strategic level in order ensure its success. Such processes/strategies include talent identification, recruitment & assessment, competency management, performance management, career development, learning management, compensation, succession planning etc. Talent management has a number of benefits to offer such as employee engagement, retention, aligning to strategic goals in order to indentify the future leadership of the organization, increased productivity, culture of excellence and much more.

Human Resource management is the most happening function as of now. This is so because people offer competitive advantage to a firm and managing people is the domain of HRM. An organization enjoys competitive advantage when it is the only one which can offer a product at a price and at quality while its competitors cannot do so. Fast changes are taking place in the business environment. An organization must have the ability to absorb these changes at a fast rate than in the past, not simply to prove its competency alone but to justify its existence in the dynamic business world as well. All organizations, whether large or small must ensure themselves that they have the competent people capable of accepting this challenge. In other words, HRM is concerned with getting better results with the collaboration of people. It is an integral but distinctive part of management, concerned with people at work and their relationships within the enterprise. Businesses that take the time to develop their employees and keep them engaged tend to be innovative and profitable. Conversely, those that are unable to source or retain talent generally have poor customer satisfaction and limited growth potential.

HR plays multiple roles in an organization. It handles employee relationships on-boarding, payroll, and much more. One such important responsibility is talent management, which is the key to keeping your organization pushing closer to its goals. Talent Management is an indispensable component of a good organization on many levels. Competition is intense in today's corporate world. Many HR professionals agree that there is continuous "war for top talent" many free positions with not enough quality candidates to fulfill them.

Improved Employee Morale and Retention

Workers in all types of businesses are feeling frustrated and unmotivated, which explains the high levels of attrition companies across all industries are currently challenged with.

With a talent management solution in place, an organization can create a more worker-friendly environment that is both nurturing and supportive. Companies can capitalize on key competencies to reach strategic objectives, while ensuring that employees are happy and satisfied in their roles. This, in turn, will minimize stress and boost morale, by building

stronger relationships between company and employee, while facilitating greater workforce efficiency and loyalty.

Enhanced Efficiency

In order to ensure that all employees are performing at optimum levels, companies must understand what tasks and activities each individual employee is good – or not good - at. With talent management software, companies can identify strengths and weaknesses, as well as significant gaps in skills and knowledge. This intelligence will allow them to more accurately assign roles and responsibilities to employees based on their unique abilities, while helping them to structure training and enhancement programs for maximum effectiveness.

A strategic talent management plan helps the organizations to:

Organizations today recognize the need for an evolved talent strategy – one that doesn't just align to business goals, but also drives outcomes. Here are some examples:

- When employees are happy and feel like they belong, they contribute more and stay in their jobs longer.
- Provide plenty of growth opportunities with very few exceptions, employees will leave their jobs unless they have visibility into their career progression options and the right support to pursue them
- Ensure that employees are using their strengths Understanding what each employee brings to the table and matching individuals to the roles and assignments where they can contribute the most helps improve engagement and efficiency.
- It's critical for employers to have accurate, real-time benchmarks on compensation data specific to their industry and geographic region if they want to attract and retain in-demand talent.

1.2 Organizational Performances

Organizational performance means an organization's actual output or results as measured against its intended outputs (or goals and objectives).

The organizational performance depends first of all on how it is managed and, secondly, on the active and correct involvement of the employees in fulfilling the strategic objectives of the companies.

Organizational performances can be defined as the efficiency with which an association can meet its objectives. This means an organization that produces the desired effect or an organization that is productive without waste. Organizational effectiveness is about each individual doing everything they know how to do and doing it well; in other words, organizational efficiency is the capacity of an organization to produce the desired results with a minimum expenditure of energy, time, money, and human and material resources. The desired effect will depend on the goals of the organization, which could be, for example, making a profit by producing and selling a product. An organization, if it operates efficiently, will produce a product without waste. If the organization has both organizational performances and efficiency, it will achieve its goal of making a profit by producing and selling a product without waste. In economics and the business world, this may be referred to as maximizing profits.

Organizational performances is the concept of how effective an organization is in achieving the outcomes the organization intends to produce. Organizational performances groups in organizations directly concern themselves with several key areas. They are talent management, leadership development, organization design and structure, design of measurements and scorecards, implementation of change and transformation, deploying smart processes and smart technology to manage the firms' human capital and the formulation of the broader Human Resources agenda. There are some factors which are identified by the researchers which contribute towards the performance of the organizations:

The factors influencing organizational performance are often interrelated or complementary in their impact, and they reflect the fact that effective organizational performance needs a systems approach to solving performance related problems or creating effective measures for the performance of the organization. Organizational performance is influenced greatly by the systems which support it. Effective management helps the organizational performance by paying attention to the six categories of performance factors (Fig 3). These factors are namely (i) organizational systems, (ii) employees' incentive systems, (iii) tools and physical environment, (iv) knowledge and skills, (v) individual attributes, and (vi) external environment. The management is to constantly look for the ways to use them to sustain the systems which enables the organization to perform well.

II Review of Literature

Amiri, M. (2018). It observed that except for the management of stress among information technology employees in IT organization for increasing productivity and decreasing the negative impact of stress on physical and psychological of employees, talent management is one of the most important strategies for reducing stress by finding better way to work in an organization.

Amiri, M. (2016). He has concluded that, for attracting customers' edibles oil whole sealers have adopted various marketing strategies such as giving a free gifits, advertising. But lack of talent management among wholesaler caused various challenges and problems. So Talent management is vital for edibles oil wholesalers

Sheokand and Verma (2015) found that the talent management concept is emerging slowly in today's business scenario. The human resources also called as the human capital of the organizations serve as the most important component of achieving competitive edge and now, the organizations that function at a global level have started to realize their value and importance. The research gave a detailed review based on other studies that were conducted in the past and they found out that in the 21st century, the concept of talent management is debatable but it definitely leads to a high performing organization. **Oladapo (2014)** stated that when an organization is successful in retaining its top/key talent, it definitely has an impact on the

profitability of that organization and he also cited that if the organization is able to manage its talent effectively by having the best

Sireesha and Ganapavarapu (2014) indicated that talent management is all about getting the right person for the right job at the right place and also at the right time. For this, the organizations need to understand how its employees will behave in future and getting them to behave different from the past to get better results. The ultimate goal of talent management practices or programs implemented by the company must be to get the right people for the right jobs in order to make the company successful but this goal is not that easy to achieve as it sounds. talent management practices, it will definitely be beneficial in the long term for the company. He also stated that retaining the employees is dependent on having the best talent management practices and for that the organizations need to have a basic understanding of the concept of talent management.

Rana and Abbasi (2013) studied the impact of talent management and employee turnover on the efficiency of the organization in Pakistan's telecom sector. They found out that all the variables are positively correlated and have a direct impact on each other. Nowadays, only those organizations gain a competitive advantage and become successful who effectively manage their talented employees. **Hanif and Yunfei (2013)** cited that different practices related to talent management play an important role for motivating and therefore retaining the talent in the organization. Different human resource functions like recruitments, training, performance management, succession planning etc. play a major role in the incorporation of effective talent management practices. The successful implementation of these strategies related to talent management as a tremendous positive impact on the business outcomes of any company and on the productivity and efficiency of its employee performance as well.

K.R. Manjunath and k. Jalaja (2013). Authors have stated that, what is important for the organization is not to acquire quality human resources, but it is important for them to realize optimal value for them which requires them to develop such strategies to appraise develop retain the intellectual resources for creating long terms sustainable competitive positions in the competitive or highly fragmented market conditions. Acquiring the right talent and sustaining them for the long term would always ensure them with all the advantages of realizing strategies turnaround to the operations.

Singh, Sharma and Garg (2012) expressed that in the era of globalization and immense cut throat competition, talent management had become the need of the hour. The organizations therefore should understand their core competencies if they want to overpower their competitors. So, in order to succeed, organizations should focus on hiring the best talent that has the passion and commitment to work to achieve its goals and objectives and strategically deploy them to get the most out of them.

(Chambers et al., 1998). Williamson (2011) believed that a new concept toward developing talents can be through talent matrix. It means that by rating your employees to A, B, C and D players, you should

individualize development opportunities. For example, offering A players the highest level of development, B players' development should focus on interactive skills, C players should be given hard goals and they should be observed carefully and there should be a clear path of separation for D players (Williamson, 2011).

Kamil, Hamid, Hashim and Omar (2011) stated that in order to grow fast and to achieve high performance, all the organizations need to incorporate effective talent management strategies. They also showed that the companies that consider talent management as a strategic activity will definitely achieve greater success levels and will also be able to sustain it for long term. The study also concluded that the talent management is not merely an initiative of the human resource department but it is an integral part of the overall development of the organization.

“David G. Collings, Kamel Mellahi”, “School of Business and Economics, National University of Ireland, Galway, University Road, Galway, Ireland University of Sheffield Management School”, “9 Mappin Street, Sheffield, S1 4DT, UK”, “Available online 2 May 2009”. A key limitation is the fact that talent management lacks a consistent definition and clear conceptual boundaries. The specific contribution of the current paper is in developing a clear and concise definition of strategic talent management. We also develop a theoretical model of strategic talent management. In so doing we draw insights from a number of discreet literature bases. Thus, the paper should aid future research in the area of talent management through (1) helping researchers to clarify the conceptual boundaries of talent management and (2) providing a theoretical framework that could help researchers in framing their research efforts in the area.

“KARTHIKEYAN J”, “(May 2007)”, “Talent management strategies, NHRD journal, Hyderabad, p23-26”. “Organization needs to have a vision and a well-defined strategy on hiring for the future. Do we have the right talent within to attract and retain the best available talent? A number of measures for talent management are suggested.”

Hughes and Rog (2008) cited that talent management is a form of a business strategy that helps in making employee recruitment, engagement and retention of the talented employees successful within different organizations. The research identified various factors that are required for the effective implementation of the talent management strategies. They concluded that with the help of talent management, the operational and also the financial performance of the company improves to a great extent. **Ashton and Morton (2005)** stated that the talent management practices and all the systems and processes related to this should be properly aligned with the corporate goals and objectives to achieve exceptional business growth and profits. **Salkey (2005)** cited that today organizations have realized that the talented employees are the assets to the organizations which need to be developed and retained for long term. HR managers should therefore, focus on benchmarking the best talent management practices in the industry to sustain the success for long term.

III Research Methodology

3.1 Objectives

1. To understand the necessity of Talent Management and how the Talent Management is related to organizational behavior
2. To examine the impact of Talent Management on the organizational performance.

3.2 Hypotheses

H1: There is significant impact of all the dimensions of talent management on organizational performance.

The data for the Study

Type of Research: Descriptive Research Population Size: 100

Sample Size: 65 Types of Data: Primary Data Secondary Data

Data Collection Instrument: Questionnaire

Data Collection Method: Survey

Sampling Technique: Random Sampling

Statistical Tool for Analysis: a. Percentage Method

b. Chi-Square Method

c. Pearson Chi-Square

d. Correlation Co-efficient

IV Data Analysis

4.1 GENDER OF EMPLOYEES

Factors	No of Items	Percentage
male	27	54
Female	23	46
Total	50	100

Interpretation: From the above table and chart, it is inferred that out of 100% respondents, 54% of the employees are Male and 46% of them are Female. It is concluded that majority of the respondents are Male

4.2 Reliability

Dimensions	No of Items		Percentage	
By competencies	6	1	12	12
By Potential	9	12	68	68
By Results	34	1	18	18
All the Above	1	1	2	2

Interpretation: From the above table and chart, it is inferred that out of 100% respondents, 12% of employees respondent that organization identify talent by Competencies, 18% of employees answered by Results, 68% of employees answered by Potential, 2% of employees respondent answered all the above. It is concluded that majority of employee's respondent that organization identify talent by potential.

4.3 Talent management Necessary

Dimensions	No of Items		Percentage	
Yes	46		92	
NO	4		8	

Interpretation: From the above table and chart, it is inferred that out of 100% respondents, 92% of employees' respondent that talent management is necessary, and 8% of employees' respondent that talent management is not necessary. It is concluded that the majority of employees' respondent that talent management is necessary.

4.4 Talent Management Important to company

Dimensions	No of Items		Percentage	
Yes	48		96	
No	2		4	

Interpretation: From the above table and chart, it is inferred that out of 100% respondents, 96% of employees' respondent that talent management is necessary for Company, and 4% of employees' respondent that talent management is not necessary for Company. It is concluded that the majority of employees' respondent that talent management is important for Company.

4.5 Organization has specific Talent Management

Dimensions	No of Items	Percentage
Yes	35	70
No	15	30

Interpretation: From the above table and chart, it is inferred that out of 100% respondents, 60% of employee's respond that talent management initiatives a top priority in the organization, 40% of employees respond that talent management are not given top priority in the organization. It is concluded that the majority of employees' respondent that organization have specific talent management initiative.

4.6 Perform work with Interest

Dimensions	No of Items	Percentage
Yes	35	70
No	15	30

Interpretation: From the above table and chart, it is inferred that out of 100% respondents, 70% of employee's respond that they perform the work with interest, 30% of employees' respond that they are not perform the work with interest. It is concluded that the majority of employees' responds that the employees perform work with interest.

4.7 Rewarding, Motivating, and Retaining Talent in company

Dimensions	No of Items	Percentage
External Talent Sessions	10	20
Appreciation for Initiation	20	40
Creativity Knowledge	5	10
Recreational Activities	15	30

Interpretation: From the above table and chart, it is inferred that out of 100% respondents, 20% of employee's respond external talent sessions, 40% of employees' respond appreciation for innovation, 10% of employees respond creativity knowledge, 30% of employees' respond recreational activities. It is concluded that the majority of employees' respond that appreciation for initiation rewarding, motivating and retaining talent in the organization.

V Findings

It was found that Half of the employees respond more satisfied with the Talent Management practices like recruitments, compensation and rewards, succession planning and retention strategy of the organizations. More than half of the employees (60%) respond that talent management initiatives a top priority in the

organization. Three-fourth of the employees responds that they perform work with interest. Most of the employees (40%) respond that appreciation for initiation rewarding, motivating and retaining talent in the organization. On the basis of the analysis, it was found out that the respondents below the age group of 30 years are more satisfied with the Talent Management practices and also the organizational performance. Most of the employees (30%) respond that retaining the current is the talent retention initiative. Most of the respondents are satisfied with personnel policies of the company.

VI Conclusion

The present study suggests the result based on Data Analysis relationship between Talent management and organizational performance

As organization continue to pursue high performance and improved results through Talent Management practices, they are taking a holistic approach to talent management from attracting and selecting wisely, to retaining and developing leaders, to placing employees in position of greatest impact. As organization continue to pursue high performance and improved results through Talent Management practices, they are taking a holistic approach to talent management from attracting and selecting wisely, to retaining and developing leaders, to placing employees in position of greatest impact. The mandate is clear; for organization to succeed in today's rapidly changing and increasingly competitive workplace, intense focus must be applied to aligning human capital with corporate strategy and objectives. It starts with recruiting and retaining talented people and continues by sustaining the knowledge and competencies across the entire work force. With rapidly changing skill sets and join requirements, this becomes an increasingly difficult challenge for organization. By implementing an effective Talent Identification and Management strategy, including integrated data, process and analytics, organization can help ensure that the right people are in the right place at the right time, as well as organizational readiness for the future.

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